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Russia go
in military
cooperation
with
the USA?

7

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THE LOST FACE

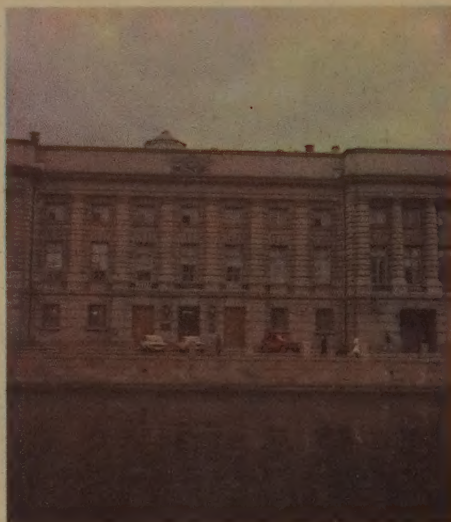
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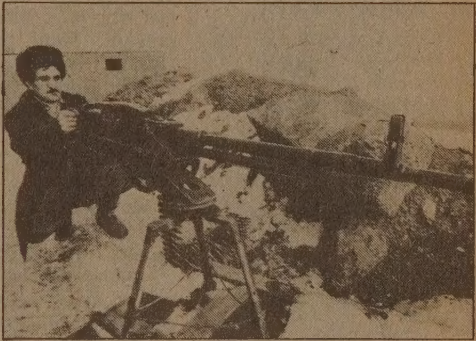
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From our mailbag

■ Today even the most lazy ask who is to blame for the present state of affairs. Among the "scapegoats" are the founders of Marxism and the Soviet state, foreigners, people of other nationalities and inhabitants of other planets.

And what about us, "ordinary Soviet people"? We were tricked, of course, but it seems we did not resist it very much. We, most of us, quickly accepted the "realities." Do you remember how - "inspired with the historic decisions" of another plenary meeting of the party's central committee - we expressed "unanimous support and approval" of them, how we thought up new aims to be achieved in the "socialist competition" while telling each other anecdotes about socialism?

Self-admiration and self-

praise were our favourite occupations. In any case, I do not remember protests against the "decoration" of fences with slogans glorifying "the great Soviet people - the builder of communism." Meanwhile the "great Soviet people" fouled their building site more than anyone else could do it, and simultaneously invented a "funny" proverb: "If you didn't steal anything at your workplace, you robbed your family."

Today, all of a sudden, "national pride" has awakened in our hearts. One of the manifestations of this pride is the bent for renaming towns and streets and wearing crosses as proof of our being religious. We are ready to renounce our Soviet past, even the few positive aspects of it. We are again trying to deceive ourselves.

Today only the most lazy don't ask: what's to be

done? Because the answer is obvious. It is necessary to work.

F.Ozersky
Vologda

■ I have been getting your magazine regularly for the last three months. I recognize in it freedom of thought and new ideas. I feel the tremendous upsurge and sudden blossoming of views, good or unreasonable. We need a healthy society which is allowed full freedom of thought, that not only tolerates but encourages challenge.

Some of the articles are not exactly the way I see things. I go back to my childhood when I was thirteen or fourteen years old. It was during the Second World War. I remember how the British restricted our movement, how they arrested hundreds of people including our great leaders like Gandhi and

Don't scoff at Kim Il Sung

■ Leonid Mlechin's article "Old clients are not served" (No. 2/92) can only stir up protests.

I am not going to defend or justify Kim Il Sung and Kim Jong Il and the present order in the Democratic People's Republic of Korea. After all, it's up to the Korean people to decide what social system to have and what and how many leaders to tolerate. Of course, no one forbids us from making a critical analysis of the situation in North Korea. The indispensable conditions for such an analysis are competence, a balanced approach, and correct formulations. And this is what Mlechin's article is lacking. We ourselves now look rather pitiful in the eyes of the world, two Koreas included. Nevertheless, we are unable to get out of the habit of teaching others. In the article, too, there is a great-power recommendation to the Russian foreign ministry that it should "have openly condemned the repressive regime of North Korea."

Now about the main thing. In its form, Mlechin's article is a categorical "instruction" for the Russian authorities on how they must build their relations with the Democratic People's Republic of Korea. I hope that the Russian leadership has enough political wisdom to ignore some of Mlechin's admonitions. It should treat with caution his idea of renouncing the treaty of friendship, cooperation and mutual assistance, concluded between the Soviet Union and North Korea in 1961. It will be recalled that Pyongyang also has such a treaty with China. During the past 30 years the two treaties have played a noticeable role in stabilizing the

situation in the Far East. I think they have not exhausted their positive potential. Of course, Russia can propose changes in the treaty, prompted by the present situation, and additional talks on the trend and scale of using it.

However, Moscow should not take hasty decisions on the future of this important document. On the whole, it can still serve the interests of security at our Far Eastern borders and keep the opposed forces in the Korean Peninsula from extremes. One shouldn't also underestimate the prospects for good-neighbourship and cooperation between Russia and North Korea based on this treaty.

The United States and the Republic of Korea have a treaty on mutual defence, which envisages their active military cooperation, including the presence of American troops on Korean soil. In such circumstances it would hardly be justified to renounce an appropriate treaty with the Democratic People's Republic of Korea.

Our media is highly critical of the excessive ideologization of Soviet foreign policy. In fact, little has changed in this respect so far. Only the poles have changed. Our former opponents have become our bosom friends and we protect them against criticism. At the same time we try to antagonize our former friends. Not long ago *New Times* would defame South Korea and its leaders while praising North Korea and its leader. Now it's the other way round.

Y. Vanin
Candidate of Science (History)

MOSCOW

Jawaharlal Nehru for opening their mouths against colonialism and the war. I remember how Communists were tortured in jails. I remember how my blood boiled when Indians were insulted. At that time we started reading Lenin's works, studying Marxism, looking towards horizons which would break our chains and move our nation forward to progress and plenty. Lenin taught us to raise our heads against colonial powers, to free our working class from oppression, to give full and equal rights to women. We raised our heads, we had a mission, a mission to have a just society which provides for everyone, a society where there is equal opportunity for all. This is what Lenin taught us.

Lenin does not only belong to Russia, he belongs to the whole world and we have the right to disagree with the analysis given by some of your writers. I agree that power was misused in the Communist Party and that the "experiment" in your country failed. I only wish that this had happened much earlier so that socialism could have continued functioning in a more humane way and people could have gotten a better deal.

In the sixties during the Vietnam war, we once again admired the valour of the Vietnamese under the leadership of Ho Chi Minh. Who was Ho Chi Minh, an ardent admirer of Lenin, a Communist, a believer in justice. Under the banner of communism he and his people fought against the biggest imperialist power in the world. I remember how proud we were, we walked with great dignity, our heads high, fighting American imperialism. We looked towards your country as the beacon light of freedom fighters all over the world. The poor and the wretched of the Universe looked towards your great country, at that time not knowing that all that we learnt to love was a big farce being played on your people and on humanity at large.

Mr Gorbachev did wonders when he started *perestroika* and *glasnost*. It gave opportunity to the people to come out openly after their decades of silence. We appreciate that, but

we don't understand why Lenin is being denigrated and Tzars coming on top as great saviours of their people. Of course it is a reaction to long years of oppression, but it is time that serious discussions took place all over the world for people to understand what is happening in the "Soviet Union."

Those of us who have from childhood stood for a just society, and fought all our lives for it, feel humiliated and very small. When people jeer at us we defend ourselves with courage and dignity, but inside our hearts we feel rotten. The worst blow of all is when papers write with glee "Russia is burying communism and is turning towards a capitalist system." That upsets us. Why can't economic mistakes be remedied without a full-fledged return to capitalism? What Mr Gorbachev said three years ago was absolutely correct but now after the coup he has changed his position. I don't agree that the Communist Party should be banned, it is definitely against the rules of democracy. I fully condemn the coup. If the CPSU had been in touch with the masses they should have reached them and persuaded them not to allow the disintegration of the Soviet Union, instead of staging a coup. Coups are always done by those who have no rapport with the people. If in long years of power they had been in touch with the people they would have acted differently. But frankly speaking, we in Pakistan thought it was a childish coup. When Ziaul Haq, the military dictator took over, it was different. We were arrested, flogged, women were put behind bars because they protested, people were told that if they disobeyed they would be further tortured. But your coup was a different sort, there were tanks, which hardly caused any fear, your telephones were in order, you had foreign journalists wandering all around, your airports were open to traffic; for us it was funny. We saw every bit of it on CNN. For such a weak coup, it was necessary to arrest the coup leaders but not to ban the Communist Party.

In political life, the object is to

preserve privilege and power. But that's not a value that should be protected, that's a characteristic that should be overcome. We have faiths and beliefs and we operate on this basis, but we should recognize that they are subject to challenge. For example, it wasn't very long ago that slavery was considered moral, nobody believes that any longer. Take the issue of the women's movement for their rights, people didn't see the importance of it forty years ago, but now they do recognize it. The problems have not vanished but we have a better insight into it. This is progress. At the same time we have seen decline - Nazi Germany and Stalinist Russia.

The main problem facing the world is that all nuclear arms must be destroyed and that we, in different countries, have to unite for a common cause to free our planet from destruction. If we continue to act on the assumption that the only thing

that matters is personal greed and personal gain, the world will be destroyed. Other human values have to be expressed if future generations are to be given a chance to survive.

I am not sure whether you will want to publish this letter, but I would like to express my views because all my life I have been dedicated to Marxist-Leninist ideas and so many of your weeklies are confusing us and telling us that the Tzar was better than Lenin. No sir, we don't agree, we are grateful to Lenin, that great man, for raising our heads against tyranny. We say: "Long live the Great October Revolution!" Have as many McDonalds as you like but please view history with your reason.

Tahia Mazhar Ali,
General Secretary
of the Democratic Women's
Association,
Lahore, Pakistan

Compiled by Tatiana Chernova

ONCE WE HAD A DREAM

Along that rosy path of inevitable human progress
They hazarded a rough guess
That one day we'd all be there on a mountain of plenty
In an egalitarian climate of collective sanity

Yes, once we had a dream
Once we had a dream

That the masses would all be happy and liberated
No longer frustrated or manipulated

The lumpen would live in some seventh heaven
And it would be each according to his need
In a comradely Eden

Education would of course be universal
And everyone would be having a grand old ball
Enlightenment would have spread like wildfire
With sights being raised ever higher

Yes, once we had a dream

Workers would labour with a smile on their faces
And harmony would exist between different races

War would be outlawed
Love would be free
And there would be
No more slavery
Or bowing of the knee

No more tyranny
No more bureaucracy
And everybody
Would exist in a perfect democracy

No opposition
No more revolution
We would have found
The final solution

A paradise
Right in front of our eyes
Some dream

There was never any fear
Of a living nightmare
What went wrong?

Jack Withers
4.3.1987

Ruslan Khasbulatov:

"No right to sit on the woolsack in expectation of an explosion..."

Khasbulatov entered politics as a member of the Yeltsin team and for long was the President's "echo," yet now this loyal Yeltsinite appears to be creating his own political image in a rather obtrusive fashion by snubbing some and scaring or shocking others.

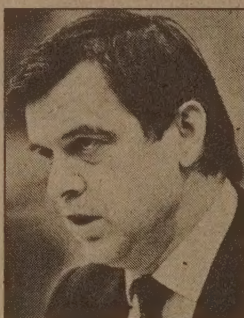
Much is said today about a controversy between Russia's Parliament and government. On what do you basically differ with the government?

I am more for the so-called 500-Day Programme, which offered landmarks and general principles. What attracted me was the serious, thought-out phased consistency, the interconnection of the different measures and the comprehensive character.

We still have a state-monopolized economy and hence every attempt to secure a balanced budget through monetary manipulation is doomed. The rock of state economy has to be moved, so that it too acquires a commodity dimension. Needed first to this end is a clearly defined privatization policy. What we must not do is to detach price formation from overall privatization and the liberalization of external commerce, as the government is currently doing. While the government is still blind to that, Parliament has drafted a small law concerned with the buying and selling of real estate for industrial construction, which also refers to foreign nationals. Otherwise, however much we might try to coax the foreign investor, he will not deal with us until his firm is able to buy land where it can build its own enterprises. Otherwise they'll be thinking the enterprise built is not really their, that it may be taken away along with the land it stands on.

The current well-known monetarian attitude to an economic solution was time and again given the green light in the West, in the UK for example.

That is quite true. By cutting down on state spending and the financing of social needs one can regulate finances and balance the budget, provided of course, the economy is sound at the roots. Our theorists seem to have forgotten that out there you already have private ownership and a mixed economy, that nothing needs to be privatized. But



New Times
interviews
Russia's
Speaker

even there whole industries were denationalized.

After your criticism of the government it is said that you are playing a game of your own with the conclusion drawn that grave differences exist between our leaders...

There is no difference of opinion among the top leaders. We have a President and a Parliament that shapes the policy. The government consists of a team of professionals mandated to execute the will of the Supreme Soviet and the President. Policy will not change, even should there be changes in the government, for which reason the basic thing is to preserve the presidential and parliamentary institutions.

Russian society must realize that despite all interaction between Parliament and the government there are differences. I, of course, uphold the President and that is the "game" I'm playing. I must distance the President from the government, the more as the situation has greatly changed. When at the Congress the President assumed the responsibilities also of Prime Minister, the USSR was still there. But today he, poor chap, is overwhelmed with a whole heap of problems! After all, we had no idea then that we would have to assume the responsibility for the railways, for the armed forces, for the atomic industry, for space projects, for the nuclear power industry, and for post and communications, as all that had been the Union's prerogative. To be frank, in these new conditions the President is simply unable to direct the government and examine all the economic details, despite his remarkable industry with eleven to sixteen hours of work every day. As a result, the government is in charge of two men, Burbulis and Gaidar, which means we have two prime ministers.

As you may remember, after the putsch Gorbachev took Lukianov to task for having allowed it, as he was the main legal expert. As far as I'm concerned, I see myself as chief guardian of the presidential institution. How can this be more effectively achieved? Only given an influential parliament.



On February 9 opponents of Yeltsin's reforms displayed nationalistic Bolshevik slogans on Manezh Square

Photo by Yuri Gripas

You castigate ministers as if they were so many schoolboys, which does not add to their prestige in the eyes of the public. Yet they do need a supporting hand, as after all they are the first people trying to do something. Isn't that so?

Well, if Parliament were not to stand forth as an independent factor with its own views, do you think it would have been possible to save the government from defeat when the budget came up for discussion? I am not so sure about that. I wanted to help the government and I think I achieved that. I told them that they should not think themselves indispensable, there for good. We want things to be amended, as that is inevitable. Why be so stubborn? No wonder sharp remarks are made and no wonder, sad to say, all our get-togethers with the main ministers have been absolutely deadended. I simply have no right to sit on the woosack

as the Speaker does in the British House of Commons and keep mum in expectation of a social outburst. The more so, as over the past quarter century or so the market economy has been my field. Whose ins and outs I was familiar with when Gaidar was still composing his pro-communist essays.

Doesn't this mean you too want to distance yourself somewhat from the government's mistakes?

Very much so.

And play your own game?

No, I'm not an ambitious person. What troubles me is the self-affectation of some members of the government, their endless appearances on television, their disregard of Parliament, their inflation of staffs. Which compels me to adopt a tougher, critical stance.

As a result, your earthwhile image of a gentle, sensible, and wise politician is changing. Is it the circumstances that

have changed? Or is it you yourself who has changed?

I don't think I myself have changed. Throughout all my work here, I have been reproached for reprimanding the deputies. The point is that I always want to get something done. It's impossible to have endless speechifying, for otherwise, this Parliament of ours would, probably, not have existed already. Then inside I always feel the politician battling with the economist, with the result that the pragmatic economist often acts to the detriment of the politician. I am quite aware of that but there seems to be nothing I can do about it.

Who of the two made you so suddenly come down so heavily against that "fourth power," the media?

To be honest, I really don't think the media has so much of an impact on public opinion. We get a lot of letters and many people come to see us, and they all say they put their trust in Yeltsin and me and none else. So as you see, the media has not been able to modify what they think about me. At the outset it was rather unpleasant, but by now I am used to it and take it in stride. However, it is odd, simply absurd, nonsensical, to look for ulterior thoughts in what is simply natural for me to say and do.

After all, there should be a limit to every criticism. But the media is simply engaged in a full-scale war against the state. At this present time, when everything is so complicated and the social equilibrium is barely maintained, the media's attacks from every quarter are simply crushing the last vestiges of public confidence.

You said earlier that you were criticizing the government so as to help it. But isn't the newsman's real role that of opposing the authorities so as to help them by pointing out the shortcomings and blunders? Why do you deny the media that role?

Criticism is necessary, only provided it isn't wicked. Now and again it's worthwhile looking to see whether you're really doing the right thing. After all, this is our parliament: there is none other today. So if it is dispersed, things will only get worse.

There was also the case when I was particularly angry with many of our newspapers. This was during the Chechen developments. At the time, day after day they with television commented that Dudaev had said this, that Dudaev had said that, as if he was the country's Number One man. Yet they still do not say that people are disappearing every day in Chechen while corruption and bribery have reached tremendous proportions, or that every day you have highway robbery, plunder and assaults, as a result of which the Russians are fleeing and many factories there are on the verge of closing down. We get very many complaints from Chechen.

During your recent working visit to Yakutia you encountered some very grave problems. Underfoot there is tremendous wealth there, but the people are impoverished. No wonder so

many claims are put to the "elder brother." Do you think these problems endemic to Yakutia alone?

The situation is roughly the same all over. Sad to say, this is our common plight. Identical claims are put forward, whether from the Ryazan or Tambov regions, or from Udmurtia and Bashkiria. Often they think their own economic interests will be ensured by seceding. What actually should be done as I think is to differentiate between the Federal agencies of administrations and the authorities in the various republics, territories and regions. If that is done, it will be possible to make place for local specific conditions within the framework of overall policy. We should not be afraid of asymmetry. Take the value added tax, for instance. Scarcely should it be the same 25-28 percent for the entire country. It could vary depending on the conditions at one or another place.

I have before me the code of laws in several volumes of the former Russian empire, which clearly specified the right and obligations of the citizenry, local powers and local budgets, as, for instance, Karelia. Set down are the basic provisions which the authorities in this or that area should take as their guide. Everything is amazingly logical. This code governed activities and relationships over a very broad range of issues, with one set of laws for the central authorities and another for the local authorities. However, all that was subsequently completely erased over the 74-year-old history of our strong unitarian state.

The republics appear to be rushing things, are already demanding full independence...

That is true. Take Yakutia. 92 percent of its whose economy is composed of a strategic industrial potential that caters not only to Russia, but also, in no lesser degree, to other republics, for instance Kazakhstan and Ukraine. Since they by themselves will be unable to build up a normal economic structure, of their own, the arrogant wishes of Yakutia's politicians just have nothing to stand on.

So what may we expect?

Provided we correct our mistakes on the go and don't act stubbornly, we may expect gradual stabilization and a strengthening of the reformers' position in the second half of this year.

Interviewer
Gennady Ariyevich

Patriots at sixes and sevens?

Democrat-etatists, national-communsits, even Black Hundreds sought agreement at their meeting in Rossiya

*Arkady Dubnov,
Galina Kovalskaya*

Not only patriots looked forward to the Congress of Patriotic and Civic Forces that was held in Moscow on the premises of the Rossiya Cinema. One would have thought society ready to have a constructive conservative opposition. Even some of the government's sympathizers hoped to see political forces emerge as an opposition with a nice-looking human face having the dimples of Mikhail Astafiev and with the magnificent athletic figure of Victor Aksyuchitz. Indeed, from the outset the Popular Concord bloc, incorporating Mikhail Astafiev's Constitutional Democrats, Aksyuchitz's Christian Democrats and Nikolai Travkin's party, that had fathered the concept of the Congress, advocated radical privatization, as radical decommunization, promoting of entrep-

reneurship and consolidation of Russian statehood. In short, it fully accorded with the West's conservative spectrum resembling the UK Tories, the US Republicans or the French Alliance for the Republic.

But, sad to say, for this concept to be viable, the desires of some and the expectations of others were definitely not enough. Motivated by the understandable wish to expand their basis through the integration of all patriotic forces, the Congress organizers based participation not so much on platform principles, as on symbols, firstly, the inviolability of Russian statehood within Russia's historic boundaries, secondly, the indivisibility of the army and the maintenance of the defence potential, and finally, the resurgence of Russian national self-awareness, which eventually undermined what one would have thought so constructive and original a concept.

Nowadays all and sundry trot out the slogan of "Russian national resurgence." Indeed, the concept unites patriots, democrats, and communists. Today one may hear Gennady Burbulis mouth such terms as "the great Russia," and "the revival of national self-awareness," terms that are as fondly echoed by the liberal media. The trouble is what different people imply these symbols to really mean.

Thus Andrei Golovin, leader of the Change — a New Policy parliamentary faction urged abandoning the concept of Russianness as based on race or faith. He believes the one and only yardstick here is self-awareness, the realization that one is Russian — which, incidentally, is the sole criterion modern ethnologists embrace. One may be Jew, Moslem, or Baptist yet be Russian, he stressed. He was booed. "Away with your Baptists!" the audience roared. Similarly booed was Alexander Rutskoi, when he declared that assembled were patriots "regardless of nationality." Incidentally, the Vice-President made practically the only attempt to separate the assembly from Pamyat and the Black Hundreds, for which he was hissed, although according to the organizers, the appearance of this VIP should have adorned the gathering.

However, a jingoistic mood, the understanding of Russianness as symbolizing soil,



Dmitry Vasiliev of Pamyat speaks to listener acclaim

Photo by Arkady Dubnov

blood and faith, dominated. All xenophobic outpourings were enthusiastically applauded. Thus, a stormy ovation was accorded to the frankly chauvinistic bombast of Nikolai Lysenko, leader of the National Republican Party, who invoking the ghost of "Alexander III, Russia's last great emperor," declared that as Russia "has no friends," it was criminal to disrupt the army for "alleged common human values." Incidentally he claimed the microphone when the chair could no longer subdue the audience and consequently he will plainly set the tune in the Central Board that the assembly formed.

It would have been logical to expect the opposition to already present a united front against the government's economic policy, thus capable of securing a broad social basis. However, what Ilya Konstantinov, a Christian Democrat and Russian MP, proposed in this respect - he proudly announced that "we have an alternative economic programme" - seemed naive even to his listeners. He suggested raising pay and pegging prices, and then pegging pay too, so as to check inflation. Which trapped the organizers similarly as the issue of Russianness had. Attempts to seek consensus with opponents from among the adversaries of market reform, such as the National Communists of the Sergei Baburin and Nikolai Pavlov type, only served to emasculate the constructive gist of the economic platform that the Popular Accord presented (Travkin's party did not attend).

One stumbling block was the attitude to democracy. Some organizers, notably the Constitutional Democrats and the Christian Democrats, share in principle the concept of a democratic state. However, for most in the audience "democrat" and "democracy" were rather taken as terms of abuse. The compromise formula that Mikhail Astafiev put forward was: "For us democracy is the means while a great Russia is the objective." This is rather dangerous as it offers leeway for an unrestricted drift away from the declared means.

Yet, such are the paradoxes. When the organizing committee sought by undemocratic means to create a favourable steering body, that segment of the audience, which only the day before had so loudly shouted that Russia had always been characterized by *Sobornost* for which democracy is alien, as loudly protested.

The pivotal theme was the "revival ... of a united great Russian state within its historic boundaries." (Quoted from the political principles that were unanimously endorsed.) Among such principles were:

- the dissolution following the USSR's abolition of the unconstitutional agreements between the Russian Federation and the other republics;
- the recognition as having no juridical validity of the act transferring the Crimea from the Russian Federation to the Ukraine in 1954;
- the extension of Russian Federation sovereignty to cover the entire territory of South Ossetia;

- Russia's non-recognition of the treaty the USSR leadership has signed with the USA on delimitation in the Bering Sea;
- denunciation of the 1956 Soviet-Japanese declaration on the Kurils Chain (a lesser group).

Distinctly evident was the readiness to secure these objectives either by exclusively political means, which the Constitutional Democrats and Christian Democrats favoured, or by frankly war-like means and sabotage (thus a representative from what he termed a Black Hundreds organization in Krasnodar urged Russophones in the republics to engage in economic sabotage and also arm the Cossacks). While faithfully adhering to their state-patriotic concept in their desire to form a strong civilized constructive opposition the Congress organizers have thus far found themselves powerless even when faced with their own "patriotic" anarchy.

When discussed was the need to promulgate law and order, a score or so of husky Pamyat blackshirts, with Dmitry Vasiliev at their head, took the Rossiya Cinema by storm, crushing the mummer Cossacks and the "lifeguards of the Semenov regiment." Vasiliev nevertheless managed to address the audience despite obvious displeasure from the platform, a sentiment incidentally not shared by the audience.

This game on an "alien field," that is already occupied by the conciliatory-minded patriots, ended in a setback for the Constitutional and Christian Democrat patriots.

SOCIOLOGICAL SURVEY

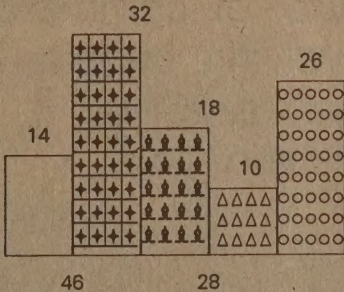
Prof. Boris Grushin's Vox Populi Poll

The leaders cannot, the led won't

A total of 723 public opinion leaders were polled by telephone on the following two issues:



50- no 34- yes 16- unsure



- - yes
- + - hopefully
- ▲ - doubtfully
- △ - no
- o - unsure

Will the broad masses support implementation of the slated reforms (in percentage to the total polled)?

Will the Russian government be able to provide conditions for stimulating labour activity? (in percentage to the total polled)?

Although this poll was conducted at the close of 1991, its results present a notion of the gist of the difficulties facing Russian society nowadays in the process of economic change. The Russian government's measures do not have popular support (there was no delusion on this score) and hence there is no chance of

their effective and painless implementation. On the other hand, the government itself does not have sufficient opportunity and ability to turn the tide and attract popular support.

Incidentally, indicated more often than not during the polling were specific measures that should be taken to stimulate labour activity. These included: intensified privatization and equality of all forms of property ownership (21 percent), no pay ceilings (20 percent) and conditions for unrestricted entrepreneurial activity (16 percent).

February 1992

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AVIS

Nagorny Karabakh: both sides should make concessions

Galina Kovalskaya.

The word "war" used in reports from Nagorny Karabakh does not seem unusual to newspaper readers and TV viewers and is not taken by them as an exaggeration or a metaphor. In fact, daily newspapers regularly publish summaries of operations from both sides. Nevertheless, reports on losses, sometimes hard to believe (30 or 60 people killed) and unfamiliar geographical names spelled differently by Azerbaijani and Armenian sources do not fully convey the essence of the war, its ruthless "Lebanese" character.

Frontline on the edge of a village

In Karabakh, the exchange of fire can be waged only from villages or towns. It is impossible to place a gun on the slope of a mountain. That is why Armenian villages and Stepanakert, the administrative centre of Karabakh, are shelled from Azerbaijani villages and the town of Shusha and Azerbaijani villages from Stepanakert and Armenian villages. The neutralization of enemy weapon emplacements

**While
the Union
existed the war
in Nagorny
Karabakh was
our common
misfortune.
Today we
look at it
as if from
abroad.
With complete
indifference?**

inevitably means the shelling of a village or town, or the killing of peaceful civilians. Each side can defend "its" citizens only by seizing an "enemy" village. So victims among Karabakh inhabitants of both nationalities are programmed by the very course of the war. The longer it continues, the more people will become refugees and will be killed or wounded.

There are instances of brutality, of course. They are often told to visiting reporters and, unfortunately, are sometimes fully described by them in their articles. Most of these accounts have assumed the form of a legend and their appearance in newspapers merely serves to justify brutality from the other side. The prime cause of all this is war.

Last December reports from Azerbaijan began to mention the Azerbaijani national army. It is formed on a double principle, so to speak. On the one hand, military service is mandatory and, on the other hand, servicemen are paid a salary. In the Stepanakert prison I saw these draftees captured, as they say, during their first military action. Of course, the individual characteristics of people are not very distinguishable in prison. However, it seemed to me that the POWs looked rather civilian. The draftees were not young people, but heads of



An Armenian militiaman with a heavy machine gun at his fortified position. On duty around the clock — such is war



Missiles even reached this Stepanakert hotel where refugees from surrounding regions live

families aged 30 to 40. Some of them already served in the army, others underwent military training and were awarded the initial officer's rank while studying in college. They said they had received call-up papers summoning them to the military registration and enlistment offices. Wealthy and influential persons were said to have given bribes lest they should be sent to Karabakh. That is why people are drafted in the army regardless of their family status or state of health. It seems this picture is close to the truth. In any case, till now, all offensives of the Azerbaijanian national army failed because of its poor fighting efficiency and the inadequate preparation of those offensives.

Soldiers of a (former Soviet) troop unit stationed in Stepanakert confirm that Azerbaijanians cannot fight well. Armenians are more courageous and skilful in fighting. Armenian troops consist mainly of volunteers, both from local inhabitants of Karabakh and Armenia. True, in the Shaumian district there is also compulsory military service for all men. However, in this case civilians are used only for guarding and observation. Specially trained groups take part in fighting. Let me explain here that the Shaumian district was not part of the Karabakh Autonomous Region in the past. However, its predominantly Armenian population took part in the referendum and in the

election of the Karabakh parliament. The Nagorno-Karabakh republic, which was proclaimed later, includes the Shaumian district.

Thus, the Azerbaijanians sustain greater losses in manpower while the losses among civilians are evidently greater on the Armenian side, because fighting is waged in the territory populated mainly by Armenians (there are simply more Armenians in Karabakh). It should be added that the people of Karabakh are worn out by the paramilitary way of life. There is shortage of fuel. The gas pipeline is blown up now and then. The flats are not heated, and there are food shortages in towns blockaded by Azerbaijanian troops. All this impels both sides to look for a way out and respond to proposals for mediation and negotiations. The forthcoming meeting of the foreign ministers of the two countries is the latest initiative in this direction.

Different approaches

Till now all negotiations ended in failure. The meeting in Zheleznovodsk, Northern Caucasus, stirred up great hopes. However, right after that meeting and the signing of an agreement, military activity was stepped up again. These setbacks as well as the need for a peaceful settlement are explained by the same reasons. One

of them is clearly evident: mutual animosity has gone too far and it is very difficult to believe in the peaceful intentions of the opponent. There is another circumstance, the reason which constantly drives all attempts to reach agreement into a deadlock. It is the absolute polarity of approaches and initial principles. The reasoning of one party differs from that of the other. Each party considers its position lawful and the position of the opponent totally unlawful.

Armenia says that the basic principle of relations between peoples is the right of every nation to self-determination. In 1988 the lawful authorities of Nagorno Karabakh, expressing the will of the majority of its citizens, decided in favour of seceding from Azerbaijan and joining Armenia. Therefore, the two republics should give the force of law to this will by their decisions. Resistance to the will of the people is an obviously lawless action. After the Ter-Petrosian "team" came to power in Yerevan Armenia stressed more than once that it does not lay claim to Karabakh. It is involved in the Karabakh events only because the lawful right of its compatriots to self-determination was violated. In accord with this position, Armenia naturally demands that Azerbaijan recognize Karabakh as an independent entity and insists on its participation in negotiations.

The basic principles of Azerbaijan are territorial and state integrity, the inviolability of its frontiers. In this connection the Armenian parliament's decision to include Karabakh in Armenia (following the Karabakh parliament's decision in 1988) is regarded by Azerbaijan as an expansionist act, a groundless territorial claim. From this point of view the Karabakh Armenians, who refuse to submit to Baku, are separatists and aid to them by Armenia or anyone else means interference in the domestic affairs of Azerbaijan. Both countries fight for their land: one — for an independent and sovereign state, and the other — for part of their state.

With Armenia and Azerbaijan holding such irreconcilable positions, any agreement can be reached only at the price of great concessions. Both republics believe the concessions to be excessive and therefore easily renounce them. This is what happened after the Zheleznovodsk meeting. Anatoly Shabad, people's deputy of Russia (who seems to spend a greater part of his time in Karabakh), thinks that there were other reasons for the failure of the Zheleznovodsk initiative. Among them were non-participation of Karabakh in the negotiations and the inability of the parties concerned to control the groups involved in fighting. All these factors will be present at the forthcoming talks of the Armenian and Azerbaijanian foreign ministers. That is why, unfortunately, no success can be expected soon from these talks.

The role of Russia

What should Russia do in this case? Can and should it do anything in general? A fierce military conflict is raging near the southern borders and there seems to be no end to it. Innocent people are suffering and being killed in the conflict and the normal economic activity of Russia's trade partners has been upset. Moreover, the hopes and aspirations of the Karabakh leaders and the Karabakh Armenians are today linked more with Russia than with Armenia.

At a press conference in Stepanakert early in January one of the people's deputies recalled the Gyulistan treaty under which Karabakh became part of the Russian Empire in 1815. He claimed that this treaty did not lose its force and, therefore, Karabakh remains under the protection of Russia which, accordingly, must defend it. The invoking of the Gyulistan treaty and the opinion that Russia's

geopolitical interests are linked with Karabakh, and therefore it should interfere in the war, is a widely held belief in Stepanakert among the leaders and common people, for whom it is probably the last hope for ending the war.

True, it is not very clear how this will mesh with the independence proclaimed by the Nagorno-Karabakh republic, the role of Russia and the proclaimed independence accord with the Armenian parliament's decision to include Karabakh in Armenia. The deputies elected from Karabakh to the Armenian parliament have not yet been recalled. So the legal aspect of the problem is confused.

If Russia decided to interfere in the conflict it would evidently have to rely on some legal basis. Today Azerbaijan, Russia and Armenia are three independent states with equal rights. How is it possible to justify interference in the internal affairs of a country without its consent? Azerbaijan has stressed more than once that it will not allow the conflict to be internationalized. Is it possible to lay territorial claims to Azerbaijan on the basis of the Gyulistan treaty?

Not a few members of the Russian parliament favour the idea of interference in the Karabakh problem. Russia, they say, is responsible for the territories which were its colonies in the past, and this responsibility gives it the right to interfere, especially in the case of genocide. Moreover, from the very outset the Armenian population of Karabakh counted on Russia's assistance and took all actions, up to the voting for the state independence of Karabakh, in anticipation of help from the Russians who, in the opinion of Karabakh inhabitants, always defend the just cause.

From the standpoint of law and from the position of political reality, Anatoly Shabad says, Karabakh cannot be regarded as part of Azerbaijan because the latter does not control the Karabakh territory, and the only way for Baku to regain its control over Karabakh is to exterminate or evict the Armenian population. Thus, in his opinion, the only way of avoiding genocide is to recognize the Karabakh republic as an independent state as early as possible and to protect its independence.

Among the strong opponents of interference in the conflict are champions of a unitary state. It seems that arguments in favour of territorial integrity and the inviolability of frontiers sound convincing

for them. "I opposed the break-up of the USSR also because in conditions of a united state its president did not only have the right to send enough troops for protection of the lives of peaceful civilians, but it was also his direct duty," said Mikhail Astafiev, people's deputy of Russia. "After the disintegration of the united state we lost legal grounds for interference in the conflict." If the arguments of Anatoly Shabad and like-minded persons are accepted then Iran can say it has every reason to defend the Azerbaijanian population of Karabakh.

During the conflict both sides have proved more than once that they proceed from their own interests first of all and regard Russia merely as a mean, Mikhail Astafiev pointed out. This is quite natural. But, shaping its policy in that region, Russia should also be guided by its own interests. In Astafiev's opinion, Russia should in no way allow itself to be drawn into the war.

Unfortunately, none of the members of parliament with whom I talked raised a question perhaps most important for the Russians. If, contrary to expectations, Russia decided to interfere, does it have the economic, financial, political and psychological strength for this purpose? Troops could not be dispatched even to Grozny, Northern Caucasus, when a state of emergency was declared there. Will Russians express the desire to fight in the Caucasus. The country is still licking its Afghan wounds.

International observers' missions could help alleviate and, later, settle the conflict. Judging by the recent statements of its President, Azerbaijan is inclined to let such missions come to Stepanakert and Shusha. UN presence in the region is less realistic. Considering the Karabakh crisis an internal matter, the leadership of Azerbaijan will never agree to any interference by the world community, except humanitarian, like proposed missions. A ceasefire is a preliminary condition for any UN role, and this is the most difficult aspect in any settlement.

During a meeting of Armenian and Azerbaijanian intellectuals, held in the town of Kazakh on January 6 (the first meeting of this kind in the last four years), well-known and respected personalities, including eminent writers of the two republics, Grant Matevosian and Akram Aisly, signed an appeal calling for peace at any price. It is the most hopeful event in the life of the region over the past few months.



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Moscow, May 19-27

2nd BANK & OFFICE

Moscow, June 18-25

ALUMINIY – 3rd “Production and Use of Aluminium and Aluminium Prefabricates”

Moscow, June 18-25

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METEOROLOGIYA – “Hydrometeorological Instruments and Systems”

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BYTMASH – “Municipal and Household Facilities”

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2nd MEBELINDUSTRIYA

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PODSHIPNIKI – 4th “Equipment for the Bearing Industry”

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5th INDUSTRIAL ROBOTS

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TURINDUSTRIYA – 3rd “Tourism Industry”

Moscow, March 18-25

KOMPOZIT – 2nd “Production Technology and Application of New Materials and Composites”

Moscow, March 19-26

MEMBRANE TECHNOLOGY

Moscow, March 19-26

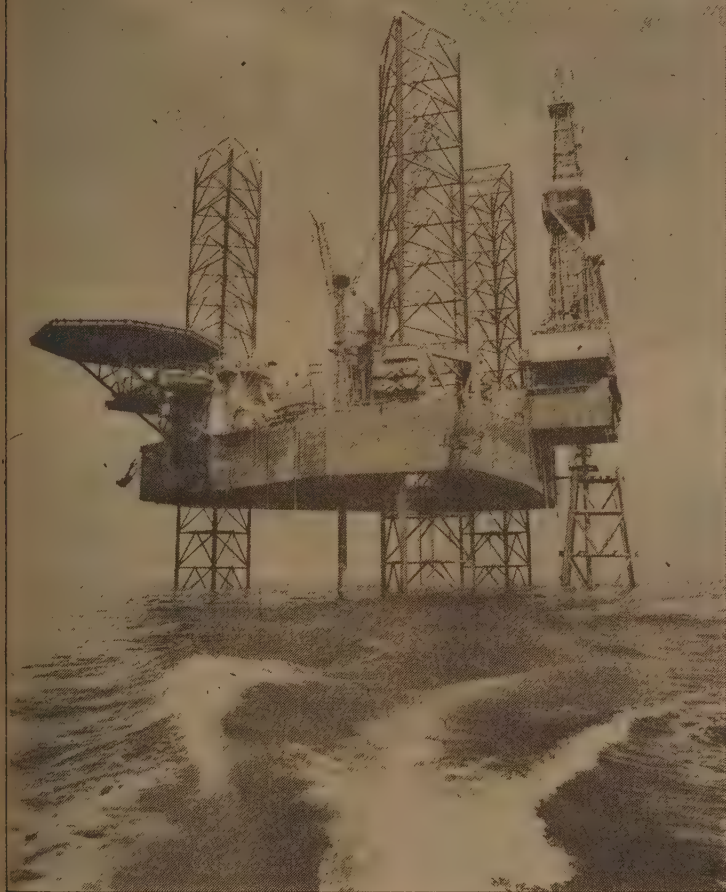
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Rivalry for Sakhalin's shelf



The fate of millions of dollars and hundreds of millions of tons of oil hang by a thread. A clumsy policy could make Russia poorer still. Below is **Leonid MLECHIN's** story of the controversy over Sakhalin's offshore oil and gas deposits

“Our newspapers have published today Palmco's statement alleging it had acquired a right to the development of oil gas deposits off Sakhalin's shelf. What do you know about this contract?”

Since Arnold Stockard, my acquaintance in Seoul and Editor-in-Chief of the *Korea Business World*, gets up several hours earlier, I received this urgent telefax message already in the morning.

There was no contract

Moscow newspapers did not report anything on Palmco's success, but that was not to be taken into account. Mikhail Gorbachev did not yet fly to the Crimea for holiday, the Soviet Union continued to exist, and it was clear where I could get the necessary information — in the Ministry of the Oil and Gas Industry.

The Ministry heard nothing about the South Korean company Palmco which had boasted about its success. It appeared there was no deal at all, and to be conscientious I applied to South Korean diplomats and businessmen working in Moscow. They did not hear about Palmco either.

Since my Seoul colleague goes to bed earlier, he read my message the next morning. I did not think about Palmco any longer and did not know what the company now thought about me.

The next message from Seoul came already after the coup attempt last August. Together with a half-apology, Arnold Stockard sent me Palmco's comment about my information that no one knows this company in Moscow. The telefax churned out several pages of the malevolent text.

The reputation of a company is an important thing. That is why the Korean editor did not dare refer to me as the author in his magazine without informing Palmco about the message from Moscow. The message seriously alarmed Palmco. Its directors wrote in their comment that they head a large and well-known company, that Sakhalin acquired the status of a free economic zone and its Regional Council decides who will produce oil and gas in it, and that they already made a decision in favour of Palmco.

I felt uncomfortable before my Seoul colleague and understood that I had to find out who is anxious to develop oil and gas deposits in the shelf of the island.

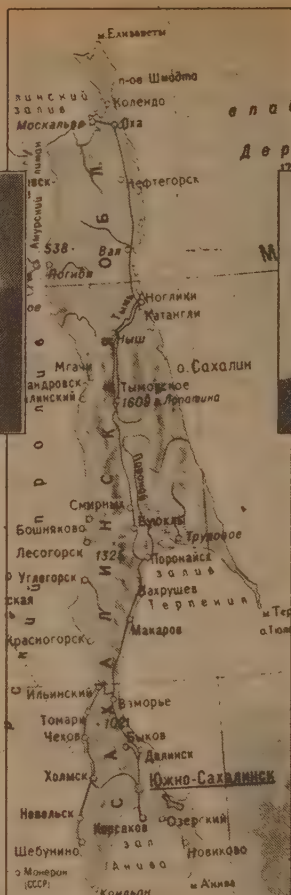
Hopes and reality

Prospecting for oil and gas (they are often associated with each other) has been conducted in Sakhalin's coastal zone for 17 years now. It began in 1975, when Japan and the Soviet Union concluded a general agreement on “prospecting for oil and/or gas deposits in the shelf of Sakhalin, the construction of field facilities, and oil and gas recovery in the area concerned.”

Vice-Premier Yegor Gaydar approved the decision taken by the jury. Preference was given to professionals



Governor Valentin Fyodorov places the interests of Sakhalin above everything else



The initial prospecting showed that the shelf has many oil and gas deposits, and Japanese companies welcomed the idea of a joint development. It was a time when Moscow and Tokyo concluded large-scale deals. Not all of them were carried out. But the oil and gas project seemed very promising then: Japan helps us in field development and, in exchange, we sell oil and gas to it, because it is cheaper to deliver it from Sakhalin than from the Middle East. In 1979, when I talked with Hiroshi Anzai, president of the world's largest private gas company, he was very optimistic.

At first, newspapers wrote about joint work on Sakhalin rather often, but later they stopped carrying material about it, and the project seemed to have come to an end.

The primitive political calculation of "tying Japan to our country by cheap raw materials" proved wrong. The raw materials were not expected to be cheap, it was difficult to produce them, and on the world market of raw materials supply exceeded demand.

Prospecting in Sakhalin's shelf continued, however. The 17-year work brought tangible results. Two large oil and gas deposits were discovered under the agreement with Japan. Unfortunately, it is far more difficult to recover oil and gas from the seabed in severe conditions of the north than to drill the blessed Middle East land.

The development of one of the two deposits, Odoptu, is not profitable today, and drillmen will come when new technology makes output cheaper.

The second deposit, Chaivo, could be profitable. However, oil production could be started only if Japanese banks gave credits of a lower interest rate than usual. Such credits have not been offered yet. Sodeco, a Japanese company with a large government-owned share, was formed specially for the development of Sakhalin's oil and gas deposits. However, it says it is waiting for the time when fuel prices will rise.

Moscow thinks that the Japanese are not in a hurry because they do not need Sakhalin's deposits now. They can be left as a reserve for the next millennium.

While the matter was cleared up, Russian geologists continued prospecting and discovered four more deposits — two large and two small. They raised great expectations in Sakhalin, which hopes to solve its fuel and economic problems with the help of oil and gas, and in Moscow, which has ambitious plans for development of the entire far-eastern region of Russia.

An unexpected pretender

Russia is unable to recover oil and gas off Sakhalin's shelf by itself. The rigorous climate and the lack of stationary ice-resistant platforms for the drilling and exploitation of wells make work incredibly hard. Russian oil-industry workers say that ice conditions around Sakhalin are more severe than anywhere else, even in Alaska, where Americans are working successfully on local oil fields. That is why four years ago a decision was made to form a joint enterprise to-

gether with the American company McDermott, and a protocol of intentions was signed. However, McDermott's original offer was rejected both in Sakhalin and Moscow, because it demanded guarantees from the Soviet government for its credits. A building company with a good reputation, McDermott did not have much free capital and wanted to insure against possible loss. The aim of its Russian partners was not to use Moscow's meagre dollar reserves but to draw foreign investment.

In these circumstances McDermott formed a consortium with another American company Marathon and the Japanese trade giant Mitsui Bussan, which needs no advertising. The consortium, with possibilities for extensive investment, accepted Russia's terms and a deal was almost ready.

The development of oil deposits off the shelf had to be started as soon as possible. The explored oil and gas deposits in the far-eastern region of Russia are at the last stage of exploitation and strongly depleted. According to some estimates, 80 percent of the reserves have already been pumped out. However, drilling had to be put off, because a new contender in the oil- and gas-field development arena appeared in the region. It was the South Korean company Palmco.

They knew us too well

Many foreign companies tried to gain a foothold on the Soviet market without understanding the political situation in the country, and therefore they met with failure. The directors of Palmco knew our customs too well. They made an offer not to the Ministry of the Oil and Gas Industry in Moscow and not to the powerful Sakhalin Association "Sakhalinmorneftegaz," which has been exploring and producing oil and gas in the region for many years, but to the authorities of the island.

It was two years ago, when in the atmosphere of confrontation between Gorbachev and Yeltsin local authorities "took as much power as they could." The rebellious Regional Council of Sakhalin, headed by Valentin Fyodorov, a member of the Russian parliament and a former Moscow professor, demonstrated its independence from the central government and the Russian administration.

Palmco made no effort to persuade the Sakhalin oil producers that its offer was attractive. However, it found support among the members of the Regional Council and in the local administration, who said they would accept Palmco's offer and give it the

right to oil and gas production. During last year the Sakhalin authorities stubbornly defended Palmco's priority.

Such persistence aroused doubts and rumours that the advocates of Palmco had selfish motives and that the company gained support by illicit methods. In any case, officials of the Sakhalinmorneftegaz association, engaged in offshore oil and gas exploration and production, told me that rumours of this kind were not unfounded.

Another explanation is also possible. A year ago the Fyodorov team, now breaking up, made great promises to the electorate. However, it is unable to fulfil them on its own (a situation common for the whole of Russia). The people of Sakhalin, an island surrounded by oil and gas deposits, are compelled to buy gas in cylinders. A contract with Palmco would solve many problems and strengthen the reputation of the Fyodorov team.

However, Palmco overestimated the authority of the Sakhalin council over the island's natural resources. The Russian parliament and government were not prepared to share it with the local bodies.

Russia also needs gas

Anatoly Cherny, Director-General of the Sakhalinmorneftegaz Association engaged in off-shore oil and gas exploration and production, told me that his specialists as well as scientists from the Sakhalin research institute, engaged in the study of offshore oil production, examined Palmco's offer and turned it down as disadvantageous and even unprofessional.

They rejected the offer on the ground that the company intends to develop only the richest, Lunskey deposit, leaving intact the others, without building an industrial infrastructure and without continuing the exploration of this promising region.

Nor was Palmco's offer sound from the economic point of view. The company refused to establish a joint enterprise, intending to be the only owner of a petroleum gas liquefaction plant. What frightened the Russian specialists?

They were afraid that the plant will set the lowest possible price and buy the gas produced at the shelf for very cheap. Compelled to honour the credits, Russia will have to agree to the low price. Liquefied gas will be sold for dirt to a gas company in South Korea, and the plant will therefore pay Russia a minimal tax on the currency profit. Supplying gas at usual prices to consumers, the South Korean company will rake in fat profits. If the gas liquefaction plant proves a subsidiary of the company, Russia will be worse off for it. All the gas will have to be sold abroad to pay off the credits.

Sakhalin's gas can save the Far-Eastern region of Russia from disaster. Today there is not enough electric power in major industrial cities of the Far East. If all the gas produced at the Sakhalin shelf goes to South Korea, nothing can be supplied to Khabarovsk and Komsomolsk-on-Amur and the Russian economy will incur immense losses.

Palmco and the Sakhalin administration were displeased with this conclusion by specialists. Acting in the spirit of Soviet bureaucracy, the administration began to write complaints to Gorbachev and Yeltsin.

But last summer the Gorbachev and Yeltsin administrations displayed rare unanimity. The Soviet Ministry of the Oil and Gas Industry and the Russian Ministry of Geology declared that an international contest had to be organized.

The contest

Every company could take part in the contest. True, there was one preliminary condition — it had to buy a package of detailed information about the deposits from the "Sakhalinmorneftegaz" Association. All companies which expressed the desire to enter the contest bought such a package worth 470,000 dollars. A Palmco representative familiarized himself with the content but refused to buy the package, thereby raising doubts about the solvency of his company. Palmco lost the right to take part in the contest but continued to count on its supporters in Sakhalin.

Major companies joined the contest, and therefore it was not easy to choose the best. A good offer was made by the American company Exxon, by the Japanese company Itochu Shoji, and Sodeco, which intends to develop two other deposits under the Soviet-Japanese agreement of 1975. This group would probably combine efforts and undertake to develop the entire region, and this suited Russia's interests very well.

From the very outset, as I found out, two consortiums had the best chances of success. The first of them consisted of the South Korean Hyundai, the American Amoco Oil Co., and the Australian BHP Petroleum.

However, two circumstances embarrassed the jury which included oil-industry workers, scientists, ecologists, bankers, trade union officials, representatives of the central ministries and the Sakhalin administration. First, the consortium offered the transportation of oil on tankers, not the laying of a pipeline. This is cheaper but more dangerous, because any accident will contaminate the now pure Sea of Okhotsk. Second, the consortium insisted that the Russian share in a joint enterprise should be in freely convertible currency, which Russia does not have.

That is why at a jury meeting early in October preference was given to the consortium which began the work, namely, to the McDermott, Marathon and Mitsui Bussan companies. Their application, drawn up for several years, fully met Russia's demands in all essential points.

Sakhalin authorities stick to their guns

The Sakhalin authorities did not agree with the decision of the jury. It was officially announced that the contest took place. In fact, the argument was taken up by higher echelons of power.

Anatoly Cherny, Director-General of the "Sakhalinmorneftegaz" Association, told me that his staff would block the work of any foreign company if it were chosen by the Sakhalin administration on its own. His organization is already preparing for joint oil and gas production and has ordered a stationary iceresistant platform. It will be assembled by a defence-industry enterprise which, thanks to conversion, has cut down on the assembly of submarines.

Russian oilmen appealed to the Russian government and directly to Boris Yeltsin. The Sakhalin administration defended its right to give preference to the company which will immediately invest large sums in the building of an infrastructure on the island.

A year, and even half a year ago, Sakhalin had more chances to achieve its goals. The central authority, torn from within, was weak. However, the Russian parliament's recent decision on the distribution of powers between the central and local authorities has thwarted the hopes of the Fyodorov team. Four months after the first decision of the jury its conclusion was confirmed. The consortium composed of McDermott, Marathon and Mitsui was recognized as the winner, though Governor Fyodorov again rejected this decision.

The three companies have been allowed to develop the four known deposits and continue to explore the entire shelf area which, according to preliminary data, has rich oil and gas deposits. The available reserves will sustain production for 30 to 40 years. As far as I know, Russian specialists estimate commercial reserves on the shelf at 160 million tons of oil and 524 billion cubic metres of gas.

Now I can tell my Seoul acquaintance with a clear conscience that I did not let him down. Serious economists and oilmen did not want to have business with Palmco, though, if events in Russia developed in a somewhat different way, the Sakhalin advocates of that company would attain their goal and Russia would become poorer still.

Poor bankers

200,000 rubles — that was last year's salary paid to the Chairman of the Board of the Russian bank. The sum is mind-boggling if looking at national standards but ridiculously small for a Western counterpart

People who pioneer the commercial banking business in Russia somehow don't enjoy the public renown they are entitled to. At any rate, they are not as popular as prominent industrialists and commodity-exchange operators. However, the current legislation covers banking much better than any other private business, to say nothing of exchange operations which are simply ignored by the law. Moreover, the prevailing opinions is that there are more exchanges in Russia than the country really needs, while the number of banks (though over 1,500 today) is still insufficient. So the day of banks is still to come, in Russia.

Sensitive people

Money is the most sensitive thing in the world, observed one American financier when in a philosophical mood, meaning that money instantly reacts to minutest changes in conditions propitious or otherwise for its accrual. Naturally enough, money dealers must also possess exceptional sensitivity to changes in the economic climate. In addition, a true financier, according to Theodore Dreiser, must have a cool, impenetrable and constantly calculating mind.

However, interviews with Russian bankers reveal some other qualities necessary for that business. Primarily, evolution of Soviet-style economic managers and Communist Party functionaries into normal private owners and entrepreneurs never comes easy and demands excruciating internal efforts over a long time. Advance along this road is different in different people, and is impeded — this is the second important circumstance — by resistance from external unfavourable factors which Dreiser's literary personages never knew.

Says Vladimir Vinogradov, Incombank Chairman of the Board (the bank is operating in billions of rubles now):

"We started issuing credits from virtually nothing, mere 100,000 rubles. None of the ministries ever helped us, and the bank's promoters have really only been giving us

something quite recently. We are haunted by hosts of puny but bothersome problems, like where to buy office equipment and furniture from. Buildings aren't sold here either. We have money to spend but can't legally invest it into a purchase of a building for the bank. Bureaucrats in control of real estate have to be heavily bribed first, preferably with 'greenbacks.' I don't have any, and even if I had, I would never give them as a bribe, just out of principle.



Natalya Rayevskaya — Avtobank Chairperson of the Board

Our current office is in one of Moscow's suburbs from where we plan to move in the future to a now dilapidated building which we are renting for 8,000,000 rubles (though it isn't worth even one-tenth of the sum). We've come across a lot of chicanery from the police who tried to pry into the matter of our salaries. People from the local CPSU committee were flabbergasted at the amounts of money I used to bring them as my Party membership dues. I quit the Party in 1989, as I had a strong suspicion that the Party didn't really need my contribution. The dues collectors felt relieved, so did I."

Last year, Incombank paid its Chairman of the Board 200,000 rubles as a salary.

Impressive as it is in this country, the sum is peanuts if compared against the salary of a Western financier of the same calibre. All my interlocutors agree that possession of one's own capital is crucial for making a perfect banker, along with teaching him or her responsibility when operating with money entrusted and making money feel tangible (rather than abstract) sums, which tunes in that specific sensitiveness.

Such considerations may sound alien for a Soviet. However, let's see how a banker feels about her (in this case) trade. Natalya Rayevskaya, Avtobank Chairperson of the Board, is paid only 3,000 rubles a month. She says she wouldn't mind making a better salary. However, her "mercantile" aspirations are not nearly as strong as the satisfaction she gets from a highly gratifying private banking business which has a strong creative element. She likes to be obliging to clients and enjoys arranging for operations

which are new for this country's banks (for example, leasing, factoring, etc.). All this includes the supremacy of common sense, effectiveness of crediting, as well as responsibility for one's own decisions (something financial accountants of the Soviet times never had, because they were relieved of this responsibility by the Party which ruled the roost). However, given personal "poverty" of the bank's President, this responsibility is purely of a moral nature and cannot have a material bearing — the reversal of the situation is crucial, since the banker's major decisions involve property of concrete people rather than the state's "bottomless" coffers.

Avtobank is jokingly called "a bank run

by Amazons," in view of the prevalence of the "fair sex" on all, including the topmost, levels, a sharp contrast to the common belief that cars and trucks (the production of which is the core of the bank's financial dealing) are the male domain. The "capture" of the bank by "Amazons" was an easy matter, perhaps because finance (equally neglected in terms of equipment and salaries as public education and health care) used to be a kind of reservation for the female workforce. But since the prestige of that profession is on the rise, it looks like the "Amazons" will soon have to defend their "realm of conquest."

Judging by Avtobank's favourable balance, they will succeed in this as well. Last year, the bank had 150,000,000 rubles in profit, or the equivalent of half of its authorized capital. It is a special compliment for Rayevskaya's bank which earns money the hardest way, since it primarily minds interests of the automotive industry and puts long-term considerations before temptations of immediate profit. According to Natalya-Rayevskaya, some organizations get their loans virtually for free, since they aim at benefitting the general public. This, virtually socialist, approach helps the bank's President easier adapt herself to the situation of ever broadening economic freedom but also can dull her instincts.

Prospects of the automotive industry are Rayevskaya's worried concern: it badly needs to be modernized. However, long-term loans to pay for technological re-equipment of plants can be provided only at heavy, and therefore forbidding, interest. If the car manufacturers decide they can't afford to pay huge interests and opt for curbing the production, they will not need the Avtobank money at all. The way out is simple: to channel the credits to more prosperous industries, which would be a perfect market strategy. However, the bank's business orientation is specified in its Rules, and members of the Board are loyal to them. Deviation from the Rules, even if excused by the interest of the bank depositors, would be like a leap into the dark, demanding utter mobilization of the banker's intuition.

The new year promises a radical improvement of the material well-being for those who deal out credits, once their salaries get meshed in with the profits earned by the bank.

"I expect at least 10 people from among our staff to turn millionaires soon," says Vladimir Vinogradov of Inccombank.

This news isn't likely to make happy the bulk of Russia's population, who possess meager amounts of vastly depreciated rubles and whose attitudes are watched by new bankers with concern. No matter how hard the bankers work in aspiring to promote the free market in this country, they feel they mustn't antagonize the people.

The Catacombs syndrome

Among the host of Russian banks, only one created on Rolan Bykov's initiative is true private. From the ones posing themselves as business banks and joint stock banks, some are merely transformed specialized branches of the USSR State Bank and some others are only nearing the status of a normal credit institution, but the credits running into millions and even billions of rubles

are tackled by clerks rather than bankers. There are still other banks (like the Cooperative Bank, according to Vinogradov) where managers have already amassed capital but refuse to acknowledge the fact.

"I suppose that such banks were boosted into success by 'shadow capital.' Unlike the law enforcers, I disbelieve that this kind of capital is predominant in the Russian economy. At most, it accounts for 10 percent of the turnover and is preseat otherwise in another 10 percent," says Vinogradov.

Law-abiding bankers, like other market-economy operators, use many words to distance themselves from the 'shadow economy' sector in the public eye, thus revealing their own weak point. It isn't a reflection of uncertainty about their innocence before the people and God. Rather it is what I would call the Catacombs syndrome. Like early Christians of the Nero times, they are prepared, in their hearts, to face a violent death as lions' food. They feel mental discomfort from "pagan" attitudes of erring fellow citizens and the latter's ill-wishes, the residual effect of class hatred, that vestige of the outgoing epoch.

That syndrome manifests itself constantly even if not loudly. In their interviews for the mass media, representatives of the private business sector always promote the idea that the whole nation stands to benefit from private entrepreneurship. The presence of the syndrome is also evident in devotion to involvement in charity projects which the bankers like to point out for the sake of the public. That syndrome also fans their indignation at the still unrepealed restriction: the extent of financial donations to charitable ends exempt from taxes is a mere one percent of the profit. Vinogradov gives the following explanation for this: the bureaucrat of the times of the former premier Valentin Pavlov introduced that one-percent limit to symbolize that the chief benefactor of man was the state — a view corresponding to the attitude then prevailing among the country's topmost management, as well as his own mistrust and despise for the private sector.

Reaching American standards: not before long

The new Russian bankers don't fully trust the politicians currently in power. This mistrust originates in the latter's still persisting anti-market sentiments: "after all none of the Russian politicians ever earned a ruble through a private firm rather than through state employment," say the bankers. How well grounded is this caution? After all, involvement with the ruling "nomenklatura" in the past and sharing the Communist Party's secrets had a dual effect on people. Sergei Yegorov, the current "marshal of the banking trade" and President of the Association of Russian Banks was supervising the nation's finances from his office in the CPSU Central Committee at the Staraya Ploshchad for ten years. It was there and then that he became firmly convinced in the advantages offered by the market system. It was there and then that he came to feel the

real extent of mismanagement and inefficiency — something which he could only guess about when working as a financial inspector in backwater Altai Territory.

I told Vladimir Vinogradov that the majority of his compatriots can't rejoice at market-oriented reforms when they witness their modest savings shrink while flowing from the savings banks into the business banks, and on, into the commercial-intermediary structures.

"This is a natural process of elimination of superfluous money through inflation, which is necessary for a sane national economy," retorted the banker. "In the meantime, banks and other commercial structures are, so to say, preparing baby formula for the just-born nouveaux riches. It can't be helped: the blame for the topsy-turvy situation in the country can't be laid at any particular door."

"How come you are a banker now?"

"To answer I will quote Roald Amundsen: 'I was coming to it all my life,' ever since my school days when the idiocy of the Brezhnev era taught me to put to doubt everything we were made to believe. I still doubt that I will ever be able to get rid of the mental stigmas I got when I was among the Komsomol functionaries, and while supervising the Komsomol-sponsored construction projects. My children are proud to have a banker for their father, but only their children can become bankers in the true meaning of that word. What is expiring in Russia today is unprecedented. Neither Germany with which this country is often compared, nor Poland, nor Africa and South America have ever known anything like this pressure of geopolitical responsibility and the extent of the population's suffering. With Russians, unlike with people anywhere else in the world, concern about the content of own purse is still not of paramount importance."

Let this admission from a banker bring at least some consolation to Russians who have abandoned hope of salvaging any of their savings: even relatively high interests offered by business banks can't make up for the current depreciation of money. Shares are hard to come by. Natalya Rayevskaya said her bank would be glad to offer shares to anyone, but the legal persons alone wishing to buy shares already put their names to a waiting list for as much as 50,000,000 rubles. For an individual holder of a random share the latter cannot guarantee either preservation of the purchasing power of the savings invested into it or security: this share cannot be easily sold on suspicion of insecure investment, because the secondary market for securities is still nonexistent in this country.

If saving money becomes meaningless, the banks are only the worse for it. However, the banks are saved by the emergence of a huge number of those willing to start their own business as a means to salvage private savings — such people even have to queue up to open personal bank account. There are ten times as many banks in the USA than in Russia. Shall this country once again enter into competition with the former?

Vitaly Sobolev

We are offering readers an article which is at the centre of a storm of controversy in America about the century's future strategy, and her relationship with past foes. It throws a challenge to sluggish American politics, whose responses often fail to keep pace with world events, calling for deep-rooted transformations in it.

Fred Iklé is an obvious politician, one of the most famous American civilian experts on military strategy. He was Under-secretary of Defence for policy in Reagan's administration. Iklé is a Conservative, but simultaneously a non-orthodox thinker. Recently, he was an influential expert in Washington's Centre for Strategic and International Research.

Currently, after the Russian President's UN speech, this article by Iklé, calling for the formation of a Russian-American defence community, appears more realistic than it did one and a half months ago, when it was printed in the journal *National Interest*.

Fred Iklé requested us to present his article to those in Russia and the CIS who think about a new strategy for a new world.

New Comrades in arms?

The case for a Russian-American defense community

Fred Charles Iklé

The strategic relationship now emerging between the United States and Russia opens a new chapter in world history. During most of this century, these two great nations could change their relationship only incrementally, if at all. But since last August, their relations have entered a period of unique malleability, one that offers an epochal opportunity for creative statesmanship.*

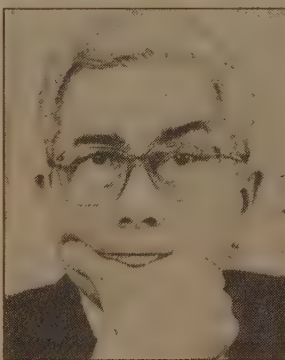
By far the most promising initiative now would be to inaugurate an American-Russian Defense Community, designed as an evolving program of cooperation that would build progressively closer links between the military establishments of the two sides. Such a relationship with the main heir to Soviet military power would greatly enhance America's security in the coming era, when weapons of mass destruction will spread throughout the world.

As America's foreign policy experts look to the future, they understandably draw on the ideas that served us so well in the recent past. The broad consensus that has emerged on the key goals for the post-Cold War world is constructed entirely out of Cold War concepts. These goals are: to preserve NATO and the alliance with Japan, to continue the policy of peace through nuclear strength, to main-

tain the "stability" of mutual deterrence, and to redouble our efforts against weapons proliferation. Some want to add a bit of fresh garnish to this platter of old leftovers by postulating an expanded role for the UN Security Council (henceforth supposed to be untrammelled by vetoes). Others draw comfort from the notion that if something like a Stalinist Soviet Union should re-emerge, we could always reconstitute our forces and man the old ramparts again.

Justifiably, warnings of what might go wrong are plenty.

From Minsk to Vladivostok, democratic reform is incomplete, the new political structures are fragile, the economy is deteriorating from bad to worse. Attempts might be launched sooner or later to revert to the evil ways of the past. The widespread anxiety about such hazards is now focused on the near term — getting through the Russian winter, avoiding total economic collapse, preventing civil wars among former Soviet republics, and precluding any kind of misuse of accident among the thousands of nuclear weapons. To be sure, traversing the near term is a necessary condition for reaching a better future. But it is not sufficient.



Fred Charles Iklé

President Bush has moved quickly and prudently to cope with the enormous upheaval in the former Soviet Union, to contain its risks, and to pursue new opportunities. His nuclear initiative in September, in particular, not only reduces present dangers, but opens highly promising avenues for fundamental long-term improvement. The basic transformation of the American-Russian relationship that is so essential for our security, however, cannot be completed within a year or two. Seventy years of Bolshevism and forty years of Cold War have

*I am referring here to "Russia" in part because that is the pre-1917 name for the nation that stretched from the Pacific Ocean to the Baltic Sea; in part because the Russian Republic, either by itself or in combination with a few other former Soviet republics, will be the most important successor state of the USSR.

left a hazardous legacy in both East and West — a spiritual, intellectual, and material pollution.

Danger signs

Like no other dimension of the emerging American-Russian relationship, the military interaction will remain heavily burdened by the Cold War legacy. On both sides, old habits of the mind, reinforced by old bureaucratic practices, will subtly influence new strategic concepts and new war plans. Throughout the Northern Hemisphere, thousands of military aircraft will remain — armaments, electronic installations, air bases, naval ports, laboratories — that will invest the Cold War apparitions with tangible reality made of hard metal and reinforced cement. Amidst the detritus of the Soviet Union, the Russian Republic is inheriting vast arsenals, huge military forces, and an enormous (although presently crippled) military-industrial complex.

Given this context, we should seek to anticipate how things might go wrong in the evolving military relationship between America and Russia. At first brush, we may find it reassuring to see how military officers from both sides get along with each other. The military harbors less animosity toward its former Cold War adversary than other population groups do. American military leaders are eager to develop cordial and cooperative relations with their Soviet counterparts. And the Soviet military has shown that they reciprocate this sentiment.

Underneath this new comity, however, a dangerous dynamic threatens to push America and Russia into a new military confrontation. One way in which this dynamic works is through the growing military strength of other nations that are seen as potential adversaries by Washington or Moscow, and hence as compelling the United States, or Russia, to acquire compensating military strength. For example, many Americans are cautioning against further reductions in the US defense budget, for fear that American forces might not be strong enough later this decade to defeat "another Iraq." Similarly, Russia's new military leaders anticipate that their nation will have to be armed against ever more sophisticated weaponry among (unnamed) nations to the south, and perhaps even against independent armies that are being established by some of the other former Soviet republics.

Alas, with such efforts to arm against emerging "Third World" military threats, America and Russia will stumble into new kinds of arms competition between each other, covering a wide range of weapons developments. And the international arms trade will add fuel to this fire. Because of sharply declining defense budgets at home, arms manufacturers in the United States, Western Europe, and the former Soviet Union are all anxious now to find new markets. The few importers in this buyers' market who are still solvent can demand some of the best and latest technologies. It will not take long for nations acquiring such advanced armaments to be seen — either by Washington or Moscow — as new military threats.

The dynamic that levers America and Russia toward a new military confrontation also includes tensions created by secret and possibly illicit weapons developments. In spite of glasnost, the political transformation in Moscow,

and the verification arrangements of recent arms accords, the battle between openness and secrecy is far from over — not only in the Soviet military establishment that is being inherited by Russia and other republics, but in the US military as well.

When the detailed verification provisions of START were finally being settled, it was the American negotiators more often than the Soviet ones who insisted on limiting access for the other side's inspectors. Indeed, protecting the secrecy of certain military technologies had a higher priority for the United States than enlarging the agreed scope for verification. For example, the United States sought to protect technological secrets of its radar-evading "stealth" aircraft.

For the Soviet military, shielding its latest technology from American "espionage" may be less important than keeping other kinds of secrets. Quite likely, the Soviet military establishment still keeps some ugly skeletons in its closet. When former Soviet Foreign Minister Eduard Shevardnadze admitted that the Krasnoyarsk radar station in Siberia violated the ABM Treaty, Soviet military officers still sought to deny culpability. And the story has yet to come out, it seems, on violations of the treaty banning biological weapons.

The old penchant of the Soviet military for pushing to the very edge of what arms agreements allow — and sometimes well beyond — may not have been entirely eradicated by the democratic revolution. Besides, the complexities and ambiguities of recent arms agreements will provide ample opportunity for hard-to-prove cheating. In this environment, the cloak of secrecy will double duty for the self-styled "patriots" in Moscow. It will shield them from American arms control monitors as well as from budget-conscious economists in their own government. Indeed, in the coming years, some Soviet officers and managers of arms industries may seek to perpetuate old practices of secrecy, not as protection from potential foreign enemies, but to keep their parliament and public in the dark about the burden that their military continues to impose on the nation's economy.

Tensions caused by military secrecy could mar American-Russian relations in many ways. On both sides, it is safe to predict, bureaucracies will show great zest and ingenuity in creating confrontational issues about "espionage" and "cheating." Secrecy is a customary companion of military research projects. And it is to be expected that both the American and Russian military establishments will continue to conduct certain research projects whose purpose, at least in part, will be to stay ahead of the former Cold War adversary.

Nuclear gridlock

Among Americans associated with nuclear weapons research, there is nearly unanimous conviction that the United States must continue to test nuclear weapons, regardless of what happens to nuclear testing in the former Soviet Union. Since the 1950s, Moscow has favoured a ban on all nuclear testing, while Washington's position has shifted back and forth between reluctantly considering such a ban and opposing it outright. In prior decades, the American reluctance was due, in part, to the fear that the Soviet Union could easily cheat in ways that would not yield sufficiently

unambiguous evidence. Today, the Soviet nuclear weapons establishment is under political pressure not to resume testing for environmental reasons. Should current differences on nuclear testing between Washington and Moscow persist for several years, those in Moscow who want arms spending again to increase will argue that one-sided nuclear testing by the United States is beginning to undermine the Soviet nuclear deterrent.

The hoary dispute about nuclear testing is merely a skirmish in a larger battle — the emancipation of nuclear strategy from Cold War thinking. The warp and woof of nearly all strategic thought — not only in the United States and the former Soviet Union, but also in France and Great Britain — remains the East-West enmity of the last forty years. And this strategic thought remains locked into place in each of these countries by their equally dated nuclear arsenals.

To be sure, we have heard some good news lately. President Bush decided in September to withdraw most of America's so-called "theater" nuclear weapons, and President Gorbachev agreed to reciprocate. In one fell swoop, a large artifact in the Cold War museum of nuclear horrors is thus to be dismantled.

What was the purpose of this artifact? The story reaches back to the early 1950s, when the United States began to deploy theater nuclear weapons for two reasons: as a means of nuclear retaliation less massive than the strategic bomber force, and to give the U.S. Army — which was jealous of the Navy's and the Air Force's nuclear missions — its own nuclear arms. To keep a long story short, since the late 1950s, the various rationales for these weapons have disappeared one by one. In particular, the principal target for American theater nuclear weapons — the Red Army — has gone home.

As these changes occurred, those who believed strongly in the merits of theater nuclear weapons reached for a metaphysical rationale: that nuclear weapons based forward on the territory that might be attacked would provide a more credible deterrent than weapons based in the rear. Here is a reminder that military doctrine based on disconfirmed beliefs can survive for decades.

This brings us to the bad news about the role of nuclear strategy in the emerging American-Russian relationship. Even though theater nuclear weapons will cease to burden this relationship, a Cold War gridlock still persists for "strategic" nuclear weapons — the thousands of nuclear arms on missiles and bombers of intercontinental reach.

During the last four decades each superpower built an enormously elaborate apparatus capable of totally destroying the other and designed so that this cataclysm could be irrevocably unleashed within minutes — on purpose, or (perhaps) by accident. The risk that this supposedly stable system might end in the superpowers' mutual suicide has not yet been eliminated. While the combination locks on nuclear weapons that many people now confidently promote might ameliorate this risk, they cannot eliminate it. A safeguard system relying on codes that would instantly have to be passed to



Drawing from Newsweek (USA)

thousands of command posts needs to be renewed and tested from time to time. (The Chernobyl reactor *did* have safeguards; it exploded because of a mismanaged test of its safeguard system!)

The dangers inherent in this nuclear legacy will continue to create new tensions in the American-Russian relationship. Whenever one side modernizes elements of its strategic forces, the other side will find reason to worry. Military staffs on each side will continue to perform calculations to estimate whether the Other Side (who used to be The Enemy) could somehow launch a first strike without having to fear massive and certain retaliation. On each side, estimates will also be prepared on the number of minutes within which the retaliatory strike would have to be launched before the codes to unlock nuclear weapons could no longer be transmitted to the missile and bomber crews. Such Cold War imagery is likely to persist, like a genetic defect, long after the conflict itself has ended.

Woe and wickedness

Threats from third nations, competition in military research, and contradictions in nuclear strategy all have the potential to ratchet the United States and Russia toward a new enmity. To make matters worse, as these pressures and tensions do their work, they will be exacerbated on occasion by accidents, mistakes, or mischief — the Soviet shooting-down of a Korean airliner in 1983 comes to mind. Disagreements about a new arms program (ostensibly directed against third country threats) might be aggravated by incidents involving "spies" and denial of legitimate access for arms control inspectors. Such incidents, perhaps started by junior officers, could well be magnified by mistakes higher up in the decision chain.

To make matters worse, scattered amidst all these combustible tensions between Moscow and Washington will be plenty of mischief-makers. Like smoldering embers, Bolshevik hatred of the West will linger on in the minds of many senior officials in Russia. In all the former Soviet republics, the older generation had to spend its formative years in a din of anti-Western locutions, distortions, and lies. One recalls that several years after glasnost had swept

such old-think aside; then KGB Chief Kryuchkov and Prime Minister Pavlov still gave speeches bristling with hostility toward the West. Although these two men are facing trial as leaders of the August coup, years from now like-minded Bolsheviks might again — or still — occupy positions of influence in the lands that Stalin ruled.

In 1920, Lenin asserted that “the real basis of contemporary international politics is the coalition of all powerful capitalist countries of the world against Soviet Russia;” and Stalin in 1925 foreshadowed the Cold War era by declaring that “the world is now divided into two camps.” Two camps — “us” and “them” — who will destroy whom? Paint these old fighting words with lush new colors of Russian nationalism, omit that tedious Marxist theorizing, and you have the core of a new ideology for Russia’s unreconstructed Bolsheviks to rally throngs of discontented youths — that essential ingredient for a political mass movement.

If, sometime during this decade, such a political movement were to become influential in Russia or to gain controlling power, much of the enormous Soviet military establishment would still exist. It will take many years and strong political leadership (both in short supply) to transform a major part of the gigantic Soviet arms industries into genuine civilian enterprises, to deactivate substantial military forces, and to dismantle excess armaments, bases, and military infrastructure. The American-Russian military relationship would therefore have a decisive influence — for better or for worse — if a reactionary political movement in Russia sought to stir up tensions with the United States. Unless most of the Cold War legacy had been cleared away in the meantime, a new Bolshevik-nationalist-fascist movement could readily gain ardent support throughout the Russian military establishment. A long list of growing American “threats” could easily be compiled: continued US nuclear tests; undiminished US naval superiority, expanded deployment of the “stealth” and precision technologies that won the Gulf War, and the survival of NATO and of most US bases that are “encircling” Russia even though the Warsaw Pact has been abolished.

A gathering storm

One recalls that after the First World War, Germany became a democratic nation free of its imperial burdens. During its first four years, to be sure, the new Weimar Republic had a troubled time. It suffered a string of disasters — a Communist putsch, a Nazi putsch, hyperinflation, food riots — the kind of tribulations that people in Moscow are now worried about. During the following five years, however, Germany enjoyed stable democratic government, vigorous economic growth, minimal unemployment, friendly relations with all its neighbours, and a burst of extraordinary cultural creativity. Europe and the world seemed at peace. Suddenly, the Great Depression and its wave of massive unemployment tilted the political forces in Germany (and in Japan as well) in favour of an ideology of violence and expansion.

Yet Adolf Hitler could not have consolidated his power, much less launched his sweeping territorial conquests a mere seven years later, had the German military establishment not been so willing and so well prepared to revert to a

policy of imperial expansion. Throughout the seemingly peaceful Weimar years, the German military, stuck in their 1914 mentality, saw the world as divided into two camps — and readied themselves accordingly.

History, of course, will not repeat itself — not exactly. And every lesson from history can be contradicted with another one. Should we heed today the lessons from the 1920s, or the lessons from the 1930s? Were France and Great Britain too slow in the 1920s in weaving closer ties with Weimar Germany, especially with its military? Or were they too slow in rearming themselves in the 1930s? If again “the Russians are coming,” how should the United States respond?

The Pentagon’s answer today is “reconstitution,” by which is meant the rebuilding and refurbishing of America’s armed forces. Defense Secretary Dick Cheney has rightly emphasized that such a rearmament effort would entail building “wholly new forces” whose equipment and weaponry would have to be developed long in advance. Much of the equipment that played a crucial role in the American victory over Iraq, Cheney pointed out, “was developed 20 or 30 years ago.” Unless the Pentagon keeps funding a wide range of research and development projects, the United States will be ill prepared to rebuild its military strength if it had to meet a global crisis in the future.

In this age of turmoil throughout vast reaches of Eurasia, to maintain a capacity for reconstituting military strength is prudent. But to rely on this capacity as the main guardian of America’s security and world peace would be reckless. If the storm should gather again, a rearmament program would not offer a safe haven to which the United States could comfortably retreat.

A policy of rearming would have to gain the cooperation of allies, be guided by agreed strategic concepts, and be supported by the American people. Questions regarding nuclear arms and nuclear strategy would arise at the outset. Conflicting ideas about a policy of nuclear deterrence — which originally emerged gradually during the Cold War and hence rarely stirred up public anxiety — would be hurled into the political arena. Some would want to rely mainly on new defensive technologies, others would want to reconstruct a stable balance between offensive forces; some would want to rearm full speed and without any restraints, others would want to negotiate new arms agreements.

Such discord would revive the profound — and justified — fear of nuclear destruction that has lain dormant since the worst years of the Cold War. Washington’s political climate would very likely resemble the Vietnam years during the Johnson and Nixon administrations, rather than the Truman and Eisenhower years when the policies of containment and peace-through-strength could be so successfully launched and promoted with substantial consensual support. The nation’s resoluteness and confidence would be sapped by recriminations. Americans and their remaining allies would ask how the victory of democracy that ended the Cold War could have been so foolishly squandered. They would blame their leaders for having failed to build an enduring peace with Russia after the attempted coup, during those few years of great opportunity.

Enough of this nightmare! Our opportunity is not yet lost.

(To be continued)

Former enemies playing at nuclear giveaway

Bush and Yeltsin have exchanged important initiatives. However, we must go further, to a "Denuclearized Russia '2000"

Pavel Bayev

A new act in the political drama called "A Farewell to Arms" was played out in Moscow, Washington and New York last week. A perfectionist disarmament expert might regard this performance as hasty, even feverishly so, as if the "dramatis personae" were in a hurry to cram into it all the postponed and overdue initiatives before the curtain fell.

The USA: arms reduction strategy

By sheer force of habit, our papers described American initiatives as "reply" ones, although they were not taken in direct response to their former enemy's actions. Washington realized, of course, that concrete and businesslike proposals would make it easier for Moscow to make disarmament decisions. On the whole, such considerations, seen as substantial during President Bush's summer visit to Moscow, have by now become "subtle nuances" only "connoisseurs" can appreciate.

Economic limitations and political struggle are now emerging in the forefront of the arms reduction strategy. It would be an exaggeration to say that the US economy is staggering under the burden of the arms race. Nevertheless, the "Reagan spurt" of the early eighties caused serious malfunctions in economic and industrial mechanisms which aggravate the current slump in production. The civilian sector of the economy and the social sphere require massive injections of capital; besides, there are commitments to maintain a new world order and the objective need to help the explosive Commonwealth.

Under the circumstances, a steady reduction in military spending is inevitable, and the Pentagon is painstakingly calculating its parameters and setting its priorities. The Gulf War has set clear-cut limits on the reduction of expeditionary forces. The two German-based divisions, which covered themselves with glory in the sands of Iraq a

year ago, furlled their banners in January. The weapon systems regarded as necessary until a short while ago have now become superfluous, releasing more money for civilian use. It is true that the scrapping of the already launched long-term programmes (in particular the B-2 bomber programme) involves extra expenses; but then it permits concentrating efforts on new promising long-term projects.

Having a breathtaking scientific and technological programme is as crucial to President (and Presidential candidate) George Bush today as the "Star Wars" idea was to Ronald Reagan at the end of 1983, and as the Man on the Moon programme was to President John Kennedy slightly over two decades before. Therefore the President has firmly waived the unpopular and Congress-blocked items of military

spending and come up with a new space programme which includes orbital stations, a base on the Moon and a flight to Mars.

Russia: the zigzags of atomic diplomacy

For the Commonwealth, a nuclear arms cut is an absolute must for two obvious reasons. On the one hand, the Gaidar government cannot afford to maintain strategic deterrence forces at their present level, let alone modernizing them. On the other, independent republics can be "denuclearized" only through the elimination of their nuclear weapons, and not by transferring them to Russia. Practical nuclear arms cuts call for a well-thought-out and flexible strategy which is still to be worked out. Cardinal decisions turn out to be, on inspection, mere moves in the fierce political struggle among the leaders of the Commonwealth's quasi-states who try to "sell" whatever decisions they make to the highest bidder in the West.

Yeltsin made the first attempt of this kind during the last-autumn exchange of initiatives between Bush and Gorbachev — "we shall go further than that," he said. That sounded like bluffing from behind the back of the man then in control of the nuclear button.

The traditional comparison between the initiatives of the two sides can only be of statistical interest. In relationships between all but allies, haggling is improper. However, certain incongruities do strike the eye. Whereas George Bush relinquished what was impossible to keep, Boris Yeltsin failed to include in his "ten points" such obligatory nuclear disarmament moves as the elimination of missiles from Ukraine and Kazakhstan. At the same time, many experts wonder why most of our unilateral cuts are made at the expense of the air force (traditionally the weakest element of our strategic triad). Despite preliminary agreements and friendly talks at Camp David, it is still not clear whether Moscow is going to respond to the suggestion that MIRVed missiles be eliminated.

During his visit to America, President Yeltsin preferred on the whole to discuss not concrete statistics, but his idea of making the SDI — which had been a thorn in Mikhail Gorbachev's flesh — into a multilateral project. Although rather tactless (after all, the other side is expected to foot the bills), this manoeuvre got the American partners somewhat interested — they do not want Russian nuclear missile makers to lose



Drawing from the International Herald Tribune (USA)

Yeltsin's package

Unilateral moves:

- an end to the production of the Tu-160 and Tu-95MS heavy bombers (of which 15 and 84, respectively, are now operational);

- an end to the production of long-range air- and sea-based cruise missiles (of which 800 and 240, respectively, are now operational);

- a 33-percent cut in sea-based tactical nuclear weapons, a 50-percent cut in anti-aircraft missile warheads, a 50-percent cut in aircraft tactical nuclear ammunition.

The following reciprocal moves are suggested:

- an end to the air-based cruise missile development programme;

- the elimination of all the sea-based cruise missiles (of which the CIS now has 240, and the US, 365);

- a stop to missile-submarine combat patrolling;

- a cut in the number of self-homing shell warheads to 2,000-2,500;

- withdrawal of tactical nuclear weapons from combat units and placing them in a centralized depot;

- abolition of anti-satellite weapon systems.

lear-political game involves unacceptable risks for Russia.

As recently as in January, a conference on the problems of the Moslem republics of the former USSR was held at the Science and Politics Foundation, Germany's leading political research centre in Ebenhausen. Analysts from the Foreign Ministry and the intelligence services, academic experts and Radio Liberty commentators singled out "the Islamic bomb" as a key problem. Grave concern was voiced over a series of almost inevitable crises in which the atomic factor - from contraband in enriched uranium to the as yet-hypothetical "Islamic terrorism" may have a most unexpected role to play.

The potential for nuclear differences between Russia and the Ukraine is higher still. Today the Ukrainian leadership having cast all the former ambiguities aside proclaims its commitment to a nuclear-free status and insists on an early evacuation of all nuclear warheads. However, politicians and MPs are ready for confrontation and may play the "nuclear trump card" at the slightest provocation. The absurdity of the idea of a limited nuclear war in Central Russia and Polesye does not stop the Rand Corporation theoreticians from simulating it, and the various turns it may take, in their computer rooms; they have been at it for about six months now.

The unthinkable can be rendered impossible, and atomic weapons withdrawn irrevocably from political games, only by means of a programme called, say, "Denuclearized Russia '2000." In my opinion, such a concrete programme for eliminating these weapons will compel other republics to stop suspecting us of "great-power ambitions" and will put paid to their own potential nuclear ambitions. It will get the army reform off the ground and make it possible to restore, partially at least, political control over the army. The absence of such control is evidenced by the strategic forces command being ignorant of the "ICBM re-targeting plans."

As distinct from the Gorbachev project, the new programme should be a unilateral one. We must be prepared for other nuclear powers not following our example and even

Bush's package

Unilateral moves:

- a cut in the B-2 bomber purchase programme to 20 instead of 75;

- a stop in the development of the Midgetman ICBM (200-300 missiles were to be deployed);

- an end to the production of the W-88 warheads for the Trident D5 submarine-launched ballistic missiles (96 missiles with eight warheads each have been deployed on board four ballistic missile-carrying nuclear-powered submarines);

- a stop after 1992 to the purchase of cruise missiles (there will be 640 of them instead of 1,000).

The following reciprocal moves are suggested (provided the CIS eliminates its MIRVed ICBMs - 744 missiles and 5,958 warheads):

- elimination of the Peacekeeper ICBMs (50 missiles and 500 warheads);

- making the Minuteman ICBMs monoblock (elimination of 1,000 warheads);

- a cut in the number of warheads of submarine-launched ballistic missiles by 33 percent (elimination of 1,700 units);

- a conversion of a substantial proportion of strategic bombers into non-nuclear ones.

their jobs. The question of whether Russia can exercise reliable control over; and derive any political benefit from, its strategic forces in a new situation remains, however, open.

Denuclearization all the same

Writing in a variety of publications (*New Times* included), I have tried to prove for years the usefulness and necessity of a nuclear status for our country. From the standpoint of a "hawkish" expert, Gorbachev's programme for a non-nuclear world was open to criticism, because it: a) was unacceptable to Western realistic politicians; b) failed to take into account the political advantage of nuclear weapons to the Union and to Russia; c) blocked negotiations on tactical nuclear weapons. Today I have to take these statements back and to admit that the nuclear potential is becoming a luxury Russia cannot afford.

Even in the absence of nuclear confrontation, these weapons retain their political role and give Russia a high international status and a seat in the UN Security Council. Nevertheless, an intricate nuclear-political game involves unacceptable risks for Russia.

War budget cuts

CIS: in 1990-91 - by 20 percent (including a 30-percent cut in arms purchase spending);

in 1992 - by 10 percent (including 50 percent on arms purchase spending).

USA: in 1992-96 - by 50 billion-dollars;

by 1997 - by 30 percent as compared with 1990.

rejecting the International Agency's idea, while supporting in every way the measures taken to prevent the proliferation of nuclear weapons. Therefore, we can reckon upon getting not only one-time aid, but guarantees of long-term investments in our nuclear economy.

Investments should be made not in the construction of radioactive-waste graveyards, but in the basic nuclear R&D, which would ensure physical destruction of nuclear warheads, the utilization of fissile materials and the recovery of waste matter. The shift of emphasis in nuclear research will detract from the acuteness of the "brain drain" problem now being so noisily and unceremoniously discussed in the West (as if there has been no "brain drain" from the US to Israel, and from France to Iraq).

In the long run, after Russia has emerged from crisis, regained self-confidence and might wish to restore its nuclear status (a prospect which cannot be ruled out), a high scientific and technological potential will enable it to do that. Though it would be better off without such a status.

Stepping with the left foot in 1992?

Alexander Didusenko

About a quarter of a century ago Vladimir Semyonovich Semyonov, then the USSR Deputy Foreign Minister, speaking before Soviet diplomats and journalists in Prague, suddenly grew reminiscent. He told the audience how soon after the end of the WW II Stalin received him together with a group of other high-ranking officials sent to work in the organs of Soviet military administration and embassies in East European countries. The great leader gave them a brief instruction whose essence could be expressed in a few sentences: "You are going to work in countries where Communist parties supported by the left-wing anti-fascist forces have come to power on the tide of the popular liberation movement. Your task is to help Communists consolidate their power and teach them the art of ruling the state. If they fail to master this art, it's terrible to imagine what will befall them in another 20 or 25 years."

I can't guarantee the accuracy of these words. The meeting was not an official one and no minutes were taken. Semyonov quoted the

Former socialist countries of Eastern Europe tackle problems on their way to capitalism

Generalissimo from memory, and today I have only notes in my old writing-pad at my disposal. However, this isn't important today, but rather the results. Either the teachers proved insufficiently insistent and consistent, or the disciples lacked ability and perception, but in any event the East European Communists were removed from state power, with the only difference that it happened not in 20 or 25 years, but forty-odd years after the prediction had been made. On the tide of a mass democratic movement and discontent with communist ideology and practice, the state power in Poland, Czechoslovakia, Hungary, Bulgaria, Romania and the former Yugoslavian republics was taken by new forces representing the most wide spectrum of political trends from left-wing democrats and National Bolsheviks to right-wing radicals and conservatives. One more time East European countries happened to be at the crossroads of history, their peoples are once again faced by a choice of a path. Today new politicians look for foreign teachers and sponsors "to guide them back to capitalism," just like their predecessors searched for guides on the path of "socialist construction"; they are equally unscrupulous in accepting advice and material donations likewise. For instance, as the French *Le Monde* has written recently, the right-centrist Civil Democratic Party headed by Czechoslovak Minister of Finance, Vaclav Klaus, is openly financed by the Bavarian Christian Social Union. Leszek Miller, a Polish Social Democratic leader, said in Katowice that during only one year, from October 1990 till October 1991, the Solidarnosc which gave all the three post-communist governments of Poland, received 4.6 million dollars from the American fund for the support of democracy.

More and more independent observers ask the same question: will the new instructors be more successful than the old ones? Will the new disciples prove more able and perceptive than their predecessors? What can ensure their success? And how many years has history meted out for them to study?

Nobody wants to run the risk of giving direct answers.

Striking the Moon with a mattock

This January Poland commemorated the second anniversary of economic reform, the principal component of which was the "shock therapy." The results are there for everyone to see — the counters of privatized shops (which make up 90 percent of the total) are full of goods. Hyperinflation has stopped. Zloty has become internally convertible and once again turned from a



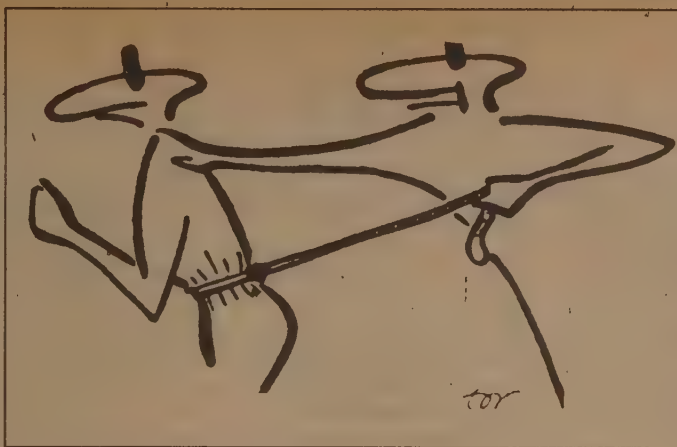
"We've managed to remove all excesses..."

mere piece of paper into a respectable means of payment worth toiling for. However, Polish leaders don't try to conceal their anxiety. In one of his recent speeches Polish President Lech Walesa characterized the country's jump to a market economy as an attempt "to strike the Moon with a mattock." According to the President, the leaders of the country failed to solve the major problem — to convince the masses of industrial workers to support the government's economic programme. Judging by the information coming from

Warsaw, it is precisely this milieu that grows increasingly dissatisfied with the continuing curtailment of production (for instance, in 1990 the production of goods decreased by 24 percent and by 14 percent last year), the growth of the number of the unemployed reaching over 2 million people, and the loss of social guarantees.

Something of the sort is observed also in other former socialist states which have embarked on the path of reforms. The situation in these countries should not, however, be mechanically compared to the present "shock therapy" in Russia. The Warsaw shops looked like paradise compared to the present Moscow ones. As concerns the neglect of the consumer's interests, the Russian government is definitely intent on setting a record quite worthy of being entered into the *Guinness Book of Records*. As for Czechoslovakia and Hungary, these countries have managed so far to keep up a more or less stable living standard of their population, largely thanks to their highly profitable agriculture, although here too prices have conspicuously gone up and a threat of mass unemployment has arisen. A more serious situation has taken shape in Bulgaria, Romania and Albania whose leaders are now and again faced with practically insoluble problems. During the last 12 months prices in Romania have jumped by 500-600 percent. "We have stepped into the year 1992 with our left foot," declared State Secretary of the Ministry of Trade and Tourism Napoleon Pop, in the newspaper *Adevarul*. "In many shops one can find nothing but cigarettes, whisky and chewing gum." When something else appears on sale, one has to be content with the role of a sightseer — with a monthly salary of 8,000 lei one doesn't eagerly buy sausages for 1,100 lei a kilo, or beef for 1,800 lei...

Economic difficulties in East Euro-



"Now let's tighten the belts together..."

pean countries are aggravated by the severance of the traditional ties which existed in the CMEA. The enterprises whose production was designed for sale in the former CMEA countries, primarily the USSR, suffered most. More than that, the cut in raw materials and energy supplies from the late USSR forced East Europeans to curtail production and limit the consumption of electricity, gas and oil products. This was further aggravated by serious apprehensions concerning their own national security, no longer guaranteed by the Warsaw Pact and which NATO is not going to

dured all privations of the last two years have now reached the limit of patience. "The patience of the poorest has been exhausted," he stated. "We must find a way to help them at the expense of the most affluent."

The rich keep silent...

For the time being the rich have another concern — that of making money. It may be expected, nevertheless, that when politicians publicly advocate populism, entrep-

guarantee as yet. The creation of national armed forces by the post-USSR sovereign states made their neighbours feel uncomfortable.

In a word, so far no one has ever managed to reach the Moon with a mattock. It is not evidently for nothing that a new tone is heard in public speeches of the initiator of "shock therapy" in Poland. In his recent interview to the German newspaper *Süddeutsche Zeitung* Poland's present premier Jan Olszewski admitted that certain social strata who have meekly en-

Solidarnosc vs. Solidarnosc

This January turned out to be troublesome for Poles. The rise of prices for home heating, electricity and gas caused strikes time and again. Although they are no novelty in Poland, those in January were a bit unusual.

First, the protests, both in the case of the all-Polish one-hour warning strike and of local conflicts, were as a rule headed by the trade union *Solidarnosc* which seemed to have receded to the background of political life, and aimed at the government which is the descendant of the same *Solidarnosc*.

Second, the trade union association failed to involve all in the actions of protest. Only about 70 percent of plants and factories took part in the All-Polish strike. Most of private enterprises ignored the appeal to go on strike.

The January strikes coincided with the second anniversary of reforms. During these two years an average monthly income of a Pole grew from the equivalent of \$69 to 200. As is shown by the list of consumer goods and services published in January, this was enough for a Pole to buy 636 loaves of bread, or 583 litres of milk, or 95 kilos of beef, or half of an automatic washing machine, or 7.5 pairs of blue jeans... To reach this level of consumption, a resident of Russia would have to earn today not less than four or five thousand rubles monthly. Yet about 60 percent of Poles believe that their life is hard. There are also many of those who have approached the poverty level or have sunk below it.

Such are the interim results of the two years of Polish economic reform in the sphere of consumption. Such is the background of the first, for the last two years, All-Polish protest action which, above all, has become one more sign of a profound discord within *Solidarnosc* itself due to differences in the assessment of the achievements, mistakes and consequences of the reform.

Rudolf Borecki, NT correspondent
WARSAW

reneurs begin to seriously think of their own political power.

The split in the Civil Forum in Czechia from which Klaus's right-wing radical party emerged; the processes of emergence of new political parties in Poland on the basis of Solidarność; the fierce struggle around nominations to local bodies of power in Romania raging between the ruling National Salvation Front and its contenders from the multi-party Democratic Convention, as well as within the Front itself, all this testifies to the continuing process of division of political forces which acted jointly when it was necessary to take power from the no longer popular communist governments, but became rivals when it was a question of sharing out power in their own interests.

Who will take the upper hand in this struggle? The right? The left? An obscure third force like Tyminski's party in Poland, or the staunch anti-Communists in Czechoslovakia who regard Havel as a Communist, or the Romania mare in Romania? Indeed, it is so tempting to try, taking the opportunity of popular discontent, to win to one's side the lumpenized mobs by populist and nationalist declarations in order to smash political opponents...

Thus the most incredible slogans appear in the atmosphere of political instability. Some deem it nice to annex the Transcarpathian Ukraine to Slovakia, others dream of "Great Romania" inclusive of not only Moldova, but of Bucovina and the Pridnestrovie as well, still others recall the times when Lvov and Vilnius belonged to Poland.

In fact, serious East European politicians resolutely dissociate themselves from such declarations. Slovak Premier Jan Čarnogursky unhesitatingly called the appeals to annex the Transcarpathia irresponsible. However, those who would like to maraud on the disintegration of the USSR are not particularly sober-minded. It can be expected that the number of such voices will increase unless the CIS works out an effective form of military and political cooperation between the member states, instead of continuing squabbles over dividing the legacy of the former USSR.

The third estate

However, it seems that the question of whom the masses will follow will be even-

tually solved not by populist and nationalist slogans or by patriotic appeals to the effect of strengthening the defence, but by the continuation of reform, because unemployment, empty shops, soaring prices furnish the social background on which proposals to solve the problems of the poor at the expense of the very rich seem very attractive.

This principle looks surprisingly familiar, by the way. After WWII Gottwald called upon the Czechs and Slovaks to act in precisely this manner. As a result, Czechoslovakia had to face the events of February 1948 and was left without entrepreneurs, bankers, and brokers so badly needed in Eastern Europe today. However, in those days there were at least very rich people there. But who is very rich in Eastern Europe today? New bankers? Stock-jobbers? Entrepreneurs? Nonsense! With all their millions earned in honest or dishonest ways alike they can't even compare with the truly richest proprietor — the state.

Everyone recognizes the necessity to privatize the state property. Says Bulgarian President Zhelyo Zhelev: "Under the conditions when 93 percent of all property belongs to the state, privatization is vitally important in order to enliven the disintegrating economy."

Here a small digression is probably necessary. The experience of changes in Eastern Europe makes us ponder over a problem which is exceedingly important to us, too. It is clear that there is no reasonable alternative to a democratic society and market relations. But neither democracy nor a market can be introduced by decrees, just like socialism or communism couldn't have been. A stratum of people vitally and essentially interested in the introduction and strengthening of economic and political freedoms must arise first in order that these freedoms could triumphantly establish themselves in a society. The meaning of privatization consists precisely in that it not only is capable of creating a quick economic effect (in Poland, for instance, the output of private enterprises steadily grows, whereas the total national production has decreased), it also creates a new social group which is bound to become the basis of democratic and economic reforms.

I repeat it once again: it is not a question of creating this third estate by means of decrees "from above." It's a matter of creating conditions for its natural

emergence, of giving the man something that would belong personally to him, his family, his children — a plot of land, real estate, equipment, his own business which he would develop for his own and society's benefit, i.e. of converting a declassé element into a proprietor who has something to lose and who is therefore interested in stability and order, which will prevent him from taking part in a senseless riot or dubious social experiments.

Nevertheless, the plans of privatization, especially when they affect large state property and unprofitable plants with dozens and hundreds of thousands of workers and employees, are slow to be put into practice in East European countries. Of course, the implementation of these plans is resisted by the medium-level managers (as in Russia), and by the second echelon of former authorities who are accustomed to disposing of the state property as if it were their own, and by the new bureaucracy which is ready to replace the old one at the feeding-trough of power, if not at the helm. But there is another reason why the reforms are so slow — the rank-and-file in Poland, Czechoslovakia and Bulgaria have practically no real means, although they have created the state property by their toil and, logically, have the right to some share of it. The idea of social justice comes in conflict with economic expediency. While the debates on whether to give out free or to sell the state property continue (greatly reminiscent of discussions of our housing problem), the ineffective economy causes new billions worth of losses, enhancing social protests. Under these circumstances even the fantastic pre-election promises made by Lech Walesa to issue every Pole 10,000 dollars to buy shares of the enterprises to be privatized, begins to seem quite sensible.

There are other reasonable variants of privatization, of course not so radical as Walesa's and not so bureaucratic as the recently published Russian one. What matters here is not "how" to do, but "what" to do, after all. It is important for the development and strengthening of democratic freedoms in the name of which former totalitarian regimes have been overthrown. In fact, only the success of privatization or its failure can answer the question whether the democrats will retain power, because only the third estate, only the middle class of small and medium proprietors, including those possessing intellectual property, is the real support for democracy. As the historical experience shows, both those with large capital and the lumpen-proletariat can well do without it.

Drawings by Tomasz Rogowski (Poland)



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Europe meets Asia in Hofburg

As early as a year ago, when Eastern Europe was living through a stormy period, it could be expected that the CSCE geography would expand. These expectations were corroborated by the joining to its ranks of Albania, which had for years isolated itself from international life. The full membership in the Conference of the newly independent Baltic states looked quite logical too.

However, even the most daring futurologist couldn't imagine that all five sovereign Asian republics — Kyrgyzstan, Tajikistan, Kazakhstan, Uzbekistan and Turkmenistan — would join the European process simultaneously. Nevertheless, after the recent meeting in Prague by the foreign ministers of the members of the CSCE conference, this fivesome became officially registered as participants in the common European process along with Ukraine, Belarus, Moldova, Armenia and Azerbaijan (As the successor to the former USSR, Russia did not require a registration, while Georgia had not applied for membership).

Many try to answer the question of what could have made the CSCE old-timers make place for the newcomers at the negotiating table. Some are apprehensive that this might lead to the erosion of the most important principles of a civilized coexistence, such as, for example, human rights, democratic freedoms, solution of all controversial problems by peaceful means. It's no secret for the members of the Vienna negotiations that Armenia and Azerbaijan are waging a real war against each other and that hostilities occur in Moldova from time to time. Doubts concerning the adherence of the leadership of some Asian republics, of the former USSR, remain so far undisputed. There is also the common concern about the possibility of disrupting the work of the very delicate mechanism of mutually acceptable decision-making because of the enlarging of the membership.

However, all this was overshadowed by the danger of losing the possibility to exert influence on such geopolitically important regions as Central Asia and the Transcaucasia. Western participants of the negotiations are rather outspoken in their fear of the signs of growing Islamic fundamentalism in this region, which is a serious destabilizing factor for European and world security, for, after Moscow stopped playing the role of a "jail-guard in the prison of peoples," as the current saying goes, there is practically no one to ensure order in the former USSR's provinces. In the meantime, it would have been extremely unwise to leave the passion-overwhelmed region uncontrolled which, in addition, has no small arsenals of armaments by European standards.

It is precisely these apprehensions that predeter-

mined the full membership of practically all constituent parts of the former USSR in the CSCE Conference, while Slovenia and Croatia, recognized by the majority of European countries, had to be content with the status of observers.

The growing number of the CSCE members is not only the West's headache. There is something here for Russian diplomacy to think about too. Whereas formerly Moscow could speak out not only for itself and its republics, but actually also for all East European countries, now it has to search for mutually acceptable solutions together with a far greater number of equal partners. It is not infrequent that reaching mutual understanding with former opponents is easier than securing the support of former allies and "brothers."

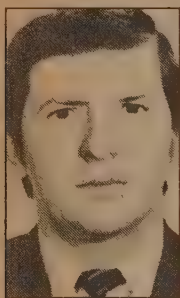
The painful attempts to divvy up the former USSR's military property foreshadowed the possibility for the emergence of such problems in the relationships between the members of the CIS. Western diplomats know only too well that many members of the Commonwealth are trying to grab the largest possible share of conventional arms, although it might be logically expected that participation in the common European process would have urged them in the opposite direction. Otherwise the question will inevitably arise: against whom do the newly independent republics intend to defend themselves?

However, the lack of concord and the absence of a common line in foreign policy won't serve the interests of Moscow, or Kiev, or any other capital on the territory of the former USSR, or the CIS as a whole. In the meantime, the common interests of the Commonwealth in the geopolitical as well as socio-economic domain are visible even to a naked eye. As is apparent, this community of interests must not be pushed aside by transient nationalist or personal ambitions.

And the last. The Vienna negotiations, as well as the common European process as a whole, is a very delicate mechanism requiring a very good knowledge of the matter. Currently only Russia possesses such knowledge, because it has availed itself of the main part of the former Union delegation. Fortunately enough, the thirst for anything new is not so widespread at present so as to overshadow the necessity for a strictly professional approach.

Other former Union republics will have to accumulate experience. And here it is highly expedient for them to resort to the common roof offered by the CIS, which will also be much cheaper, since participation in all events of the CSCE process requires large expenditures of hard currency we are so short of now.

VIENNA



Anatoly Kovrigin

What can be expected by the expansion of the Helsinki process

The old dispute over Karelia

Pentti Virrankoski,
professor of history

While there is a dispute over the Kuril Islands in the east, a new territorial issue may emerge in the west — that of Karelia. In the article below a Finnish scholar spells out the position of advocates of territorial redivision

Relations between Finland and Russia have always been regarded as special, even "privileged" to some extent. Both countries preferred not to recall the "black periods" in the history of their relationships. However, problems may exist even if they are not discussed.

I have in mind first of all the problem of Karelia, formerly owned by Finland, as well as Hogland and several other islands in the Gulf of Finland, a strip of land in the east of northern Finland and in the Pechenga area near the Arctic

Ocean. On the whole, they constituted a tenth of Finland's territory before 1940.

The current debate over Karelia is not intended to stir up hatred for the Russians. This would not find support in Finland. The majority of Russians themselves became victims of the terror sponsored by Stalin and the Communist Party, and it would be unfair to blame them for Stalin's crimes. On the other hand, the Russians must define their stand with regard to the territories taken away from Finland. It would be desirable if they knew how this problem is viewed by Finns.

The part of Karelia in question belonged to Russia in the past, too. For centuries Sweden and Russia strove to get possession of it. However, from the present-day positions it is not very important where the border between the two countries lay. The main thing is that Karelia, seized from Finland in 1940, was the ancient, primordial land of the eastern tribe of Finns. Only Finns had lived there from the Stone Age until 1940.

Promised by Tsar Alexander II

After the separation of Finland from Russia its eastern border in the area of Karelia remained the same, as it had been in the period of autonomy since 1812, when Tsar Alexander I returned to our country the territories Russia won back from Sweden in 1721 and 1743. Thus, the southern part of Karelia belonged to Finland from 1809, when the Finnish state first appeared as the autonomous great principality of the Russian empire.

When Finland proclaimed its independence in 1917, the Soviet government recognized the sovereignty of our state within the borders existing at the time. At the peace negotiations in Tartu in 1920 the representatives of Soviet Russia did not question the fact that Karelia belonged to Finland.

Pechenga was promised to Finns by Alexander II as compensation for the territory of a small arms factory built in the mouth of the Rajajoki River. It was turned over to Russia in 1864. True, the territories were not very equal. When Russia and Norway divided the remaining ancient communal land on the Arctic coast in 1826 the interests of Finland were forgotten. The tsar did not keep his promise with regard to Pechenga. However, it was fulfilled by Lenin in 1920. Nothing was then known about the Pechenga nickel deposit.

Some people in Russia evidently believe that Finland should not have been granted independence. However, they will not be allowed to talk with us from these positions. On the contrary, it



The map, carried in the Swedish newspaper *Dagens Nyheter*, shows the area taken away by the Soviet Union in 1940 and 1944

can be asked how the rights of nations can be reconciled with the fact that a tenth of the territory of a sovereign state was seized by a great power which unleashed a predatory war. What would the Russians feel if they were in our place?

A specious pretext for aggression

During the second world war and later, Soviet propaganda contended that in the 1930s Helsinki plotted an aggression against the USSR in collusion with "imperialists of the West" or with Nazi Germany. There was no convincing proof of this assertion.

In the late 1930s Finland intended to form an alliance with other Scandinavian states with the aim of maintaining general neutrality and ensuring peace. When Europe was shaken by political upheavals, Finland began to strengthen its armed forces, then in a state of neglect. This was done by the government consisting of representatives of liberal centrist parties and the Social Democrats. Nevertheless, the army of Finland, accused of militarism, was equipped so poorly by the beginning of the "winter war" that its major victories in defensive fighting can hardly be understood.

In the late 1930s Stalin urged our country to assume certain obligations and

agree to some territorial concessions with the aim of ensuring the security of the USSR. However, these proposals contained the danger of Finland's losing its neutrality and becoming an ally subordinate to Stalin. The fears of our leadership can well be understood, because Moscow simultaneously forced Finland and Sweden to give up the conclusion of a defensive alliance planned by them as a guarantee of their neutrality. This also indicated Stalin's intention to isolate Finland and drive it into a corner.

In the summer of 1939 Stalin and Hitler concluded an agreement under which Eastern Europe was divided into the spheres of interest of the two dictators. As a result, in the autumn of the same year the Finnish government was compelled to state its position with regard to Moscow's claim to a strip in the Karelian isthmus, the islands in the Gulf of Finland, a naval base not far from Hanko, and the western part of the country's south coast.

Our government agreed with the first two claims, but flatly refused to transfer a base in the area of Hanko. Stalin already had bases in Estonia. It can be asked why Soviet troops with naval guns ought to have been allowed access to the key area of the south coast, not far from an important railway and quite near Helsinki. It would have been a convenient bridgehead for the occupation of Finland.

Stalin was unable to entrap Finland as he did the Baltic states. On November 30, 1939, he began a predatory war. The pretext for it was the shelling of Mainila in which several Red Army men were killed. Stalin did not agree to an independent examination. It has recently been proven in Russia that shells were fired by Soviet guns in order to create a pretext for invasion.

The need to liberate the Finnish poor from capitalist oppression and ensure the security of Leningrad was used by Stalin as another pretext for aggression against Finland. The Soviet dictator formed a puppet government led by Otto Kuusinen and raised for him a small army which was to carry the red flag to Helsinki. The aim was to turn Finland with the help of that government into a satellite country or even a Soviet republic. However, the Finnish workers and soldiers offered armed resistance to the invaders. The road to Helsinki proved too long and thorny.

The war did not make Leningrad more secure. On the contrary, its defences would have been far more effective had the troops around the city included hundreds of thousands of soldiers killed and wounded in the Finnish war. It is possible that Germans would then have been unable to surround the great city whose security Stalin allegedly built up by invading Finland.

Conflict or agreement

I can understand professor Virrankoski. He wants to bring his view to the people in Russia, though it is held only by a small part of Finns who would like to revive the question of the border between Finland and Russia. None of the parties represented in the Finnish parliament supports the demand for "taking back the primordial lands."

It is difficult to agree with the professor because his historical approach towards demarcating frontiers between present-day states would throw world politics and the international community into a confusion so extreme that ethnic conflicts on the territory of the former USSR would

seem a children's game and the civil war in Yugoslavia a dispute over boundaries in the field.

Let us imagine how Germany would treat the Slavs' claim to a part of the Baltic coast where the Slav tribe of Veneds lived in the old days, or how European states would react to Ireland's claim to the territory in central Europe where Celtic tribes lived from time immemorial, or what Ukraine would say if Greece, Italy and Germany laid claims to the Crimea, for Greek, Genoan and Gothic settlements existed in that peninsula long before Kievan Rus came into being. More examples could be cited.

It should be stressed, however,

that the seemingly attractive historical approach towards demarcating borders between states has never led to good-neighbour relations between them. Azerbaijan and Armenia, the Middle East, and the republics of Yugoslavia today provide convincing proof of this statement.

Helsinki and Moscow pretend that the territorial problem does not exist because the present frontier is not questioned in the new treaty on good-neighbour relations between Finland and Russia. However, the document contains a reference to the principles laid down by the Helsinki conference on security and cooperation in Europe, and these principles do not preclude a change of borders by peaceful means.

In disagreeing with professor Virrankoski on the principle of solving

It can be asked whether the security of even a big city is a sufficient reason for aggression. On the other scale was the security of Finland to which Stalin paid no attention. Did he have the right, on the pretext of defending Leningrad, to kill Finnish soldiers, bomb our cities, drive 400 thousand Finns out of their homes and seize their land?

In alliance with the devil

Under a peace treaty concluded in Moscow in 1940 Stalin took away the part of Karelia still held by Russia and a strip of land in the north of Finland. In addition, he took on lease the city of Hanko and its environs for a military base.

The main direct consequence was the fact that it became more difficult to defend the eastern frontier of our country, and in addition Stalin gained an excellent bridgehead on the southern coast of the country. Moscow tried to isolate Finland completely. The inclusion of the Baltic states in the USSR in the summer of 1940 clearly showed what danger threatened Finland. In November 1940 Molotov asked Hitler's permission to occupy Finland, but was not given it.

Finland was in a precarious situation. Hitler had occupied France, Denmark and Norway and had imposed a blockade on Britain while the United States showed no particular interest in Finland. Helsinki saw only one possibility — to rely on Germany. The implementation of this policy is as-

sociated first of all with the names of premier and then president Ryti, the Social Democratic leader Tanner, and Marshal Mannerheim. They were not at all friends of nazi Germany. But they regarded the maintenance of Finland's independent status as their main task. As a result, democratic Finland was compelled to fight a war in alliance with Hitler. It should be pointed out that Helsinki was forced to do that by the policy of Stalin and Molotov. Having captured Karelia and Hanko, they pushed the country into Hitler's arms.

In 1941 the Finnish army occupied a large part of the Russian-held Karelia. During the world war this step was justified from a military point of view. In the previous war 20 Soviet divisions invaded this territory, thus opening hostilities against Finland.

On the other hand, it should be noted that, contrary to Hitler's desire, Finland did not attack Leningrad. It is appropriate to mention here that one German, who visited Mannerheim, told the marshal about Hitler's intention to raze Leningrad to the ground after its capture. Mannerheim, who felt friendly to Russians and highly respected them, retorted sharply: "The Russians will build Petersburg anew."

In the autumn of 1944, after Finland had withdrawn from the war, Stalin took Pechenga away from it in addition to the territories captured earlier. In the early 1940s he strove to gain possession of the Pechenga nickel deposits by other means. One more humiliation for the country was the Soviet demand that some leading Fin-

nish statesmen should be declared guilty of the war. The indictment merely became one more attempt to justify the seizure of southern Karelia from Finland in the 1939-40 war.

For 50 years now Moscow has regarded the present border between the two countries as something natural. This is connected, of course, with the general situation in Europe. Nevertheless, a similar attitude to Finland as a friendly state can be described as cynical.

Friendship up to a point

After the wars, up to the Brezhnev period, Moscow interfered in the domestic affairs of our country, trying to give support to the Communist Party, which nevertheless has virtually broken up. At the same time it should be admitted that Moscow has abandoned its policy of strength with regard to Finland, and so the country can live freely and independently. However, neither Finland's peaceloving policy nor the evidence of its friendly attitude to the USSR have enabled us to receive even one Karelian village.

People often talk about the lessons of history. Perhaps the most important of them is that times change. The changes that have occurred in the world recently are so great that, it seems, a real possibility has at last appeared for Helsinki to offer Moscow a chance to discuss the Karelian question seriously. If an honest discussion were held it could lead to recognition of the fact that Karelia and other territories seized from Finland belong to it by right.

Would it mean humiliation and defeat for Russia? I think the Russians would be happy to get rid of the great-power militarist tradition which has brought them so much suffering. It would help to acknowledge the injustices done to Finland. Is it humiliating? On the contrary, it would restore honour to Russia. I know there are honest decent people in Russia who think with shame about Karelia captured from Finland. Should Stalin's crime remain on the conscience of the Russian people?

Some might voice concern about the future of Russians now living in Karelia. What will happen to them after the territory is returned to Finland? If part of the Russians expressed the desire to remain in Karelia the Finnish parliament would adopt a humane law defining their status and their rights and the Finns would quickly get accustomed to the Russian-speaking minority.

Today Karelia is a sore subject with Finland and an embarrassing issue for Russia. Whether such a situation will remain in the future depends on the Russian leadership and, perhaps, on public opinion in Russia, too.

TURKU

he problem we do not deny that it exists and that the Karelian theme is likely to become aggravated if the internal situation in Russia continues to deteriorate and its military and political position weakens. Finland's potential entry into the European Community will impart a European dimension to the problem. So it is time, honestly and at the high level, to cast aside reticence which makes possible speculation on the Karelian theme.

Helsinki should explicitly admit that Karelians are not Finns and that they have the right to self-determination, even in the Karelian regions of present-day Finland. It would be appropriate to condemn the idea of "retrieving" Karelia and express readiness for close cooperation with Russia in the development of this northern region. For its part, Moscow must dispel the hopes of those who want to obtain the Soviet Union's escheat. Simultaneously, the Russian government must fulfil Yeltsin's promise to grant broad independence to autonomous republics and enable Karelia to develop freely, particularly by extending its ties with Finland.

This process has already begun. President Mauno Koivisto expressed, though cautiously, his negative attitude to the idea of "returning" Karelia. Moscow agreed to free Karelia for three years of the need to pay 30% deductions to the Russian government. However, both countries made only initial steps, and separately. The leaders of Russia and Finland have to take urgent joint action. The forthcoming visit of President Yeltsin to Helsinki provides an opportunity to reverse the discussion on Karelia, now heading in a dangerous direction, by stating mutual understanding on the question of turning Russia's border area into a zone of cooperation in economic and other spheres, cooperation from which the Karelians, Russians and Finns will only benefit.

Alexander Polyukhov,
our own correspondent
HELSINKI-STOCKHOLM

The Bogatin affair

Rudolf Borecki,
New Times correspondent

A scandal has broken out in Poland. In the so far quiet family of numerous Polish banks, one has come under the scrutiny of three countries' law enforcement bodies at the same time — the USA, Poland and Austria. More precisely, not the bank itself, but its president and actual owner, David Bogatin, the founder of the First Commercial Bank in Lublin. This is a private bank 97.5 percent of whose shares belong to Bogatin. This bank is also known as the first private institution to have been granted official permission to issue and sell shares. This prosperous enterprise had 14 branches throughout the country. But about six weeks ago, first in the local and subsequently in the national press, publications began to appear which gradually disclosed biographic details of the bank's founder and president unknown to the public at large. Quite a detective story was outlined.

David Bogatin, a respectable gentleman of forty-odd years, who wore fashionable spectacles and flawless suits, had tied up in one knot the former Soviet Union, the USA, Poland and Austria. Having served as a sergeant in the Soviet Army, he spent ten years waiting for a permission to emigrate. Once in America, he got in touch with the Russian mafia from Brighton Beach which, in close cooperation with the Italian mafia (mainly with the Colombo clan), took part in the control over the wholesale, and to a great extent retail, gasoline trade in New York. According to American estimations, the federal Treasury's and the state of New York's annual losses exceeded \$125,000,000 made by evading taxes.

The *New York Times* wrote about Bogatin's involvement with mafia as early as 1987. The paper learned that the Soviet émigré had established contacts with the boss of the Colombo clan, Franzese, through his partner Mikhail Markovitz. When his connections were disclosed, Bogatin had to flee — according to American law, tax evasion could cost him five years in a Federal prison and eight years in state jail.

or
a new
parable
of the
stray
sheep



The FBI, the Scotland Yard and the Interpol showed interest in him. In the meantime he suddenly cropped up in Vienna where he was arrested by Interpol agents on May 13, 1987, in the fashionable Marriott Hotel. Found on him were 10 million dollar worth of forged securities (according to some other sources, 40 million dollars worth). However, a few days later, Bogatin was released — an unidentified person generously paid about two and a half million schillings (approx. \$160,000) as a bail for the detainee's release. On June 23, 1987, Bogatin was arrested one more time, again in the Vienna Marriott Hotel, and once more released for lack of evidence against him. Americans couldn't demand his extradition, because they had no corresponding agreement with Austria.

In 1987 starts Bogatin's Polish escapade, active, large-scale and impressive. He creates the firm, SUNPOL, exporting the famous Polish frozen vegetables and fruit, accounting for 15 percent of the entire Polish export of these products. He also starts producing chocolate, buys two textile factories and is planning to start production of fruit juices and soft drinks. Lastly, in 1990, he founds the First Commercial Bank. All his activities are confined to Lublin, not far from Poland's eastern border. His strategic plans are obviously oriented to the East — the former USSR's market.

Press publications stirred up panic among the Bogatin bank's clients. And here the young institution whose personnel was trained at the famous London Barclays Bank showed high class — it did not hesitate to declare that the accounts would be paid off to all who so desired at their first request. At the very peak of panic, on Saturday, January 25, the bank didn't close till 3 in the morning to serve the last client. Meanwhile the president of the bank told the journalists: "You have enough power to destroy the bank together with its personnel and the people who have entrusted their money to it. But the bank is my favourite child, and in order to save it, I am prepared to renounce my six million dollars worth of shares... I can hand it over to anyone you point out." And he asked insistently not to identify his personal transgressions, of eight years before, with the bank's activity and destiny.



Drawing
by
Victor
Rogorad

The panic was stemmed. A public committee for the protection of the bank was made up of its devoted clients. The National Bank of Poland came up with the suggestion to grant guarantees to the investors. The scandal seemed to quiet down...

I phoned Lublin and arranged for a meeting with Bogatin — I was greatly intrigued by the extraordinary personality and adventures of our former compatriot. However, fate decided differently. On Friday, January 31, on the premises of the Warsaw branch of the Commercial Bank, in the very centre of the city, a special anti-terrorist task force wearing bullet-proof vests and armed with guns and gas grenades arrested Bogatin after three hours of being stopped by his armed bodyguards recruited mostly from our ex-compatriots. The action was directed by a colonel who, according to the Polish press, was aggressive and rough; he even didn't allow Bogatin's lawyer to look at the prosecutor's warrant. A former Solidarność activist, who happened to be at the moment on the premises, identified him as a police inspector who "had scoffed at her and subjected her to physical and mental tortures." The mighty law enforcement group delivered the arrested to the building of the Ministry of the Interior, which was followed by Bogatin having a heart attack, resulting in a

medical examination and transportation to a hospital.

The purpose of the action was to deport Bogatin to the USA. This time on perfectly legal grounds — the required agreement between the two countries was concluded as early as 1927 and is effective up to this day. On the surface of it, this looks like a usual detective story, taking place on various continents, and whose moral and meaning is a warning — at best. But all is not so simple as that. There is also a second sphere to Bogatin's boisterous activities.

During these four years the Russian émigré has managed to leave a good trace on the Lublin soil. He created hundreds of new jobs and provided high wages and enviable conditions of work for not only his bank's employees but also for textile workers and all who in some way or other were involved in his "small empire's" activities. In troubled times of society's transition to a new state, when many grew helplessly frustrated, he showed them a perspective, opening new firms and investing in new enterprises with orientation to our all-devouring market. Personally, I regard one fact as the most pivotal of Bogatin's intentions, a fact which somehow separates the former Soviet citizen from the host of today's predatory entrepreneurs (whose credo is quickly grab what there is and then lurk in

the shadow). "The law allows to export up to 70 percent of profit from Poland. So far I haven't exported a dime," he told journalists. And this fact is true. The firm SUNPOL alone brought him two million dollars in 1991, and all this remained in the country as planned investments.

Of course, I am not going to either judge or acquit Bogatin. The court of justice alone can determine the measure of his guilt, which probably is going to happen soon. However, I must admit that usual human doubts remain. There is something confusing in this story... Recollecting the dawn of the "initial accumulations," one asks the same question once again: how many examples of morally impeccable business was there to be found during the first generation of capitalists? Can the first "big money" be secured in absolutely honest ways? What kind of human material was there at the source of America's or Australia's present prosperity? And isn't it worthwhile, speaking about our "hero," to remember the Biblical parable of the stray sheep. "I say unto you that likewise joy shall be in heaven over one sinner that repenteth, more than over ninety and nine just persons, which need no repentance." Provided, of course, there is repentance...

WARSAW

Combatting the mafia — a unified system is needed

The man who built a system of combatting organized crime is now out of work and his system does not operate

Gen. Alexander Gurov, people's deputy of Russia and doctor of law being interviewed by *New Times*

Where are you working now?

In the Ministry of Security, the former KGB.

What are you doing there?

Two months ago I was appointed Deputy Chief of the main directorate for combatting organized crime. But then Yeltsin issued a decree on the merger of our ministry with the Ministry of the Interior, and all of us the employees of the Security Ministry are now non-staff, so to speak. I do not head anything. I am simply waiting for a decision on my future work.

Why did you leave the Ministry of the Interior?

First of all, the Union broke up and the USSR Ministry of the Interior ceased to exist.

It ceased to exist formally. But in fact, it simply merged with the Russian Ministry of the Interior. Why were you compelled to leave?

This question can be answered only by those who compelled me to leave and virtually abolished the directorate which I built painstakingly for two years.

Were you simply told to go?

They could not dismiss me because I am a people's deputy of Russia. However, experienced ministry officials know how to remove a man objectionable to them. At first, they blocked the work of our directorate. They turned down all our proposals, annoyed us by check-ups on trifling matters and then one of them hinted that it would be better for me to resign. I did not wait for a decision and resigned.

You yielded without a struggle.

I did not have even a slim chance in this struggle. It is not only a matter of my fate. Our directorate became unnecessary. None of our politicians, top officials of law-enforcement bodies would admit that they are not going to wage a struggle against organized crime.

Why? Do you want to say that the mafia have penetrated into all links of the state machinery?

Our society is living through a period of



Photo by Vladimir Panov

the initial accumulation of capital and the "shadow economy" plays an important part in this process. The accumulation of capital will slow down if a system of combatting organized crime is set up. We would simply imprison those who are likely to become Rockefellerers and Morgans. Our leaders were faced with a choice: either to combat the mafia or speed up the accumulation of capital. They chose the second. The "shadow economy" has virtually been legalized at a government level.

Perhaps you are fighting against the wrong enemy. There are different views regarding the "shadow economy." Some believe, like you, that it is simply a criminal business. Others think that it is a normal economy which could not develop under socialism.

The shadow economy consists of different people. Those who were engaged in production of some kind or repaired cars did not pay taxes — in short, those who wanted to do business legally, but our laws stood in their way — they should certainly be legalized and their past sins be forgiven. But is it possible to legalize the whole shadow economy? Those who engaged in racketeering, prostitution and the drug trade?

If no attempt is made to legalize them now, they will continue their criminal activity. There is, however, a possibility to turn them into businessmen useful for society.

Why do you think they will agree to be legalized? Let us turn to world experience. The mafia in various countries could have long ago "laundered" their money and acquired a legal status by investing their capital into legal business, but this did not happen.

Why?

The rate of profit in criminal business is 100 percent, while in legal business it is three to five percent. Do you think that our criminal associations will agree to lose their fabulous profits? No, a legal status will be acquired only by those who have made their capital in a more or less honest way.

In other words, you believe that those who have embarked on a criminal path will not turn away from it.

A criminal will remain a criminal, with a rare exception, for instance, if his children decide to engage in business and invest their father's capital in legal business, due to concern about their reputation, name and decency. There is nothing new about it. After all, I have studied the history of the mafia. The expansion of business is conducive to the growth of the mafia. The mafia and business traverse the first section of the road together, but later their ways part.

If the world has passed through this stage, perhaps we should reconcile ourselves with, or at least minimally react to the thriving of the mafia.

How can one be unbiased towards criminals? Those who call for the complete legalization of the "shadow economy" do not even imagine the social consequences of this action. They provoke people into an uprising. When people hear that all those who engaged in drug trafficking, stealing and racketeering are forgiven, they begin to think: why didn't I steal, sell narcotics and take bribes? The phenomenon of the lost benefit comes into play. People begin to think that they also have a moral justification for the perpetration of crimes. They rush to expropriate the expropriators and society is plunged into violent crime.

You have drawn a completely hopeless picture.

I take a sober view of things. Until capital is accumulated and a new bourgeois class is established in power, we shall not have a system of combatting crime and corruption.

It is probably a superficial impression, but in the past few years there has been much talk about the need of struggle against organized crime and corruption. Following an interview you gave to the newspaper *Literaturnaya Gazeta* in 1988,

entitled "The lion prepares for a jump," Vadim Bakatin, then minister of the interior, invited you to work in the ministry and asked you to set up a directorate to combat organized crime.

It was admitted in 1988 that organized crime existed. However, nothing was done to adopt appropriate laws on the struggle against corruption and on the public service. No one even wanted to come up with a legislative initiative. After the arrest of former premier Pavlov, two bags of various bills were found in his office. No one had examined them.

What about your directorate? Did it work?

Of course it did. I invited roughly 170 highly skilled specialists. Similar directorates were also formed in ten republics, and we closely cooperated. However, we constantly felt that the heads of law enforcement bodies were not fully conscious of organized crime. Last year, the top officials of the Interior Ministry stated that all the crimes were organized. It sounds plausible. But what does it mean? The real mafia are dissolved in all the crimes and therefore the need for special bodies and methods of combatting the mafia disappears. Or it is believed that organized crime is any crime perpetrated by a gang of criminals.

How do you understand organized crime?

It is a system of relations that has formed in society which presupposes unlawful enrichment, and precisely this system must be destroyed. Some officials in the Interior Ministry have said recently that we don't need scholars but professionals who know how to put handcuffs on a criminal.

Professionals are evidently needed too.

But what kind of professionals? Why are the common police helpless in the face of the mafia? Because they usually act post factum. After a murder they look for a murderer. We begin an investigation on acquiring reliable information that a certain person engages in dangerous and criminal activity. It can take many months to track down his ties and the technology of criminal business. This work usually lasts for a year before an action is brought against the person concerned. Some mafia organizations must be examined for several years. Once we had a narcotics case in which upwards of 500 criminals from six republics were involved. Each of them had to be examined. It is laborious and voluminous work. Our investigation system did not prove suitable for such cases. Investigators refused to work on them. The cases were divided, and then someone could ask: where is the criminal gang?

What about the powerful KGB? Can it assume the main burden of the struggle against the mafia?

The KGB has never dealt with such matters. It is not a task for the KGB. I worked for the KGB for two months, and as an out-

sider, I can judge about it in an unbiased manner. The KGB has other tasks. What is needed is an agency similar to the American FBI. The seventh directorate in the former Interior Ministry of the USSR was a prototype of such an agency.

Your directorate has been abolished. The country disintegrated.

It's true, but a common crime-ridden expanse has remained. Each CIS member country is now officially trying, if trying at all, to curb organized crime by its own efforts, but this is impossible. Criminals use new tactics in the new situation. For instance, Moscow criminals go to Kiev and, with the help of the Ukrainian mafia, commit a crime there. After that they go to the Far East to sell the stolen things. How to track them down and who must do that? What we need on the territory of the former Union is not even Interpol — after all, it is purely an information agency and does not coordinate the search — but a unified system to fight the mafia. Moreover, this system should be closely tied up with the European police.

Did our mafia join the international criminal business?

Quite recently we investigated the case of counterfeit dollars. They were produced in Ukraine and sold in France through mediators in Germany. Some 10,000 counterfeit dollar bills had been collected. Specialists from the French police and the FBI came to Moscow. We carried out a joint operation and found the counterfeiters. By the way, our Western colleagues concluded that the counterfeit dollars were of high quality.

Judging by press reports, the European police, German in particular, are worried over the emergence of the Soviet mafia. Does it mean they do not know how to deal with them?

One of my German colleagues complained that he could not find a common language with our arrested compatriots. German policemen are not familiar with the mentality of a Soviet criminal. An arrested German is inclined to confess his crime and cooperate with investigators. Our criminal never confesses his crime until he is driven into a corner by material evidence and witness accounts, the more so as in a German prison he feels like he's in a health resort. I asked Germans: "How do you treat them?" They replied: "Correctly." "Do you use a club?" "No, how could we do that? And so our criminal spends his days in a clean German prison, eats sandwiches, drinks coffee and scoffs at investigators. Investigators work scrupulously there. Before all the evidence is collected, the term of detention under arrest ends, the suspected man is released and he returns home.

How numerous is the "red mafia" abroad?

The German police have information about 200 such criminals living in their country. In fact, there are more of them.

Especially dangerous are "shuttle" gangsters who come in groups of five to ten, commit a crime and return home. There are more complicated crimes. For instance, the leaders of a mafia ring stay in Poland and direct the actions of those who steal cars in Germany. The stolen cars are sold through Poland in Eastern Europe. The stealing of foreign cars is today a major source of income for our mafia. A good Mercedes car can be sold for two or three million rubles.

But the stolen cars can be found.

In our country? Theoretically, it is possible. However, the checking of any suspicious car takes much time, and policemen are not willing to do that, though any traffic policeman will say that he works with sweat on his brow.

Do you know personally the godfathers of our mafia?

Yes I know.

What are they doing now? What changes are taking place in the mafia?

The mafiosi have accumulated huge sums of money. They enjoy all the pleasures — health resorts, cars and women. They organize charity dinners for homeless people, become patrons, and tend to lead bohemian lives. They get their children into colleges or send them to study abroad. The Russian "godfathers" repeat the formula of American mafiosi: "I am a criminal, but my children will run the state. In the business sphere, they are beginning to take privately-owned banks under their control. It is already a new level of crime.

Do the mafia have ties in the government bodies?

Certainly they have, for they cannot exist otherwise.

Are you prepared to give names?

No, we do not give the names of even active mafiosi. I always speak only about those who is finished, otherwise a legal action can be initiated against me. The name can be made known only after you have proved that a given person is linked with the criminal organization. And this is very difficult to do.

Aren't you afraid of the mafia? Do you carry a pistol?

Yes, I always carry a pistol.

Did you ever use it?

Not in the past few years. But once I shot a lion who went mad. A lot was written about this story. Fear can be experienced by those who take bribes from criminals but do not fulfil their promises. I do not take bribes.

Have you ever been offered a bribe?

Many times. My chiefs told me: "Take a bribe and we shall catch the criminal in the act." However, I have never done that. We should fight against criminals, but they must not be provoked.

Interviewer
Leonid Mochin

Novonikolayevsk — the centre
of the Russian
state early in
the century.
The business centre of Russia
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What's the use of criminology with all its theories and promises? Look what's going on in our streets, people say with a sigh. Indeed, the science of combatting crime has always gone with the political tide: now it emphasizes the reforming of criminals, now it insists on a more severe punishment for wrong-doing. Or take all the arguments over the sources of crime. At one moment there is talk about genetic determinism, at another about the level of crime depending on a given country's social system.

In his book *Punishment and Welfare*, the British criminologist, David Garland, maintains that in order to be successful, an anti-crime policy should not be an embodiment of any concrete criminological theory... On the contrary, it should emerge from a chaotic interaction of different views, with politicians and the public, rather than criminologists having the last say.

"Quarrelled over a candy..."

It looks as if the idea born in Britain has already proved its case in Scandinavia, especially on the crucial front of youth crime prevention.

"In Sweden, crime was at its highest until the mid-seventies," says Associate Professor, Jerzy Sarnecki, a sociologist. "That was a time of sweeping social changes, when many old moral and other values were relegated to the scrap heap of history. The result was a steep rise in crime. Many hoped then that police, courts of law and prisons would cope, that the state would get the better of its law-breaking subjects. Their hopes were dashed to the ground.

The National Council for Crime Prevention, whose Evaluation Division Jerzy is in charge of, functions under the auspices of police but regards teenage crime as a social rather than a police problem. The Council employs teachers, psychologists, sociologists, and criminologists. Their recommendations are submitted to the government, parliament, ministries and local government bodies.

The anti-crime measures the Council suggests are social

Each new wave of crime triggers the same reaction from society: "Why isn't police doing anything about it?"

ones, for the most part. Put into practice over the past two years, they arrested the climb of the youth crime curve first, then caused it to even off, and finally sent it down. This campaign takes a lot of effort and money, Jerzy commented, but a miser pays twice.

In Scandinavia, where the public keeps the world record in reporting crimes to the police, even the slightest infringement of the law (a practice which we call squealing), less than half of delinquencies committed by youngsters under 15 are booked. In an anonymous questionnaire, 60 percent of Swedish teenagers admitted to having broken the law. Most of the misdemeanours were petty, or "borderline." ("Just the kind of a mischief you were up to at 14," Jerzy told me, and I blushed.) Some kids, however, go from pranks to hooliganism, from horse-play to fights, from a "fair" sharing of sweets to robbing the weak. Why does it happen?

The criminal "perpetuum mobile"

"It is all very simple and repeats itself from year to year," Sarnecki explained. In "problem families," children are vulnerable: the father usually drinks (or uses drugs), and the mother is mentally depressed by that and physically unable to manage the children single-handed. The situation is further aggravated by economic problems, of course.

In practically every neighbourhood, such kids bunch into small gangs, each having a leader. As they grow older, the gangs move to the centre of the city, the ring-leaders turn into chiefs, and the infringements of the law become more serious. Some youngsters drop out, but others get firmly involved in a "net of social relations." Quite often they are biologically predisposed to what psychologists call 'sensational behaviour,' from which there is only one step into crime, and they usually make it.

"It is necessary to intervene at the very beginning of the process which leads to a crime," Jerzy Sarnecki says. "Previously, bad parents were deprived of parental rights, and the state assumed full responsibility for their children. Today, social workers are not up to this burden. However, it is within their powers to compel negligent fathers and mothers to

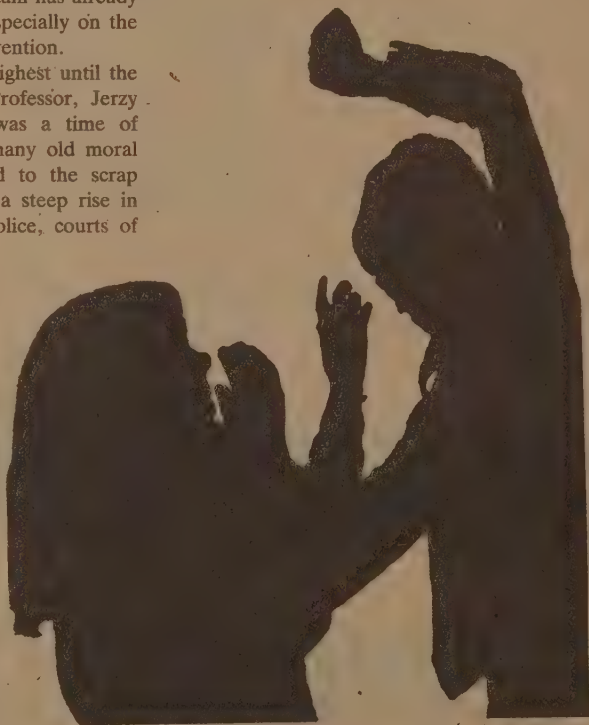


Photo from newspaper Svenska Dagbladet (Sweden)

listen to reason, to help them become real parents. Attempts were once made to 'teach' parents how to raise children. This is absurd. There are ways, however, to stimulate them to take care of their little children. The "conservative wave" — our society's reversion to the traditional ideals of family life, to a healthy way of life — is of help here..."

The frontline of defence — the parents — is not always strong enough to hold out. What then? The key components should be extracted from the criminal "perpetuum mobile," those in the Council say. The gang leaders should not be allowed freedom of action in the streets. Not that all of them should be jailed: in Sweden, only about fifty youngsters of 15 to 18 are sent to jail a year, usually for a few months. Borstal institutions, where about 500 young offenders live and receive training designed to reform them do not provide the answer to the question either. Teenage "leaders" should be attended to individually by instructors, social welfare and law-enforcement workers: a jail or a reformatory school would only make hardened criminals out of them.

"As they are now, Borstal institutions are ineffectual," Sarnecki told me. "They have three to four instructors per inmate, i.e., they are actually like high-class private schools. Each day of a young offender's stay there costs the state four thousand kronor. But for all that, boys are "reformed" in groups of six, no member of which is immune to the bad influence of others. Lasting relationships may be established within such groups."

The Council suggests that for better results arrangements should be made for every inmate to attend classes individually. Incidentally, Borstal institutions, like the other links of the reformatory system, function on the basis of the Special Childcare Law.

A drug addict in church

Sweden's neighbour, Denmark, is always trying, and without success, to break the criminal spiral.

"The rise of crime in the country has been arrested," Berl Kutschinsky, one of the leaders of the Danish counterpart of the Swedish Council, proudly told me. "This is due to a drop in youth crime."

To fight for, not against, every young offender — such is the essence of Denmark's new policy towards crime. "Social service," to which first offenders aged 18-25 are usually sentenced to for economic crimes like theft, burglary or check forgery, has proved most effective.



The police can be good-humoured

Photo from Apropa (Sweden)

Older offender may be locked up in jail for 8-30 months for such crimes...

The term of "social service" varies from 40 to 200 hours of unpaid work as a church warden, a clerk in a scout organization, a tourist cottage repairman in the countryside, a cook in a charity kitchen. This work is to be done only after hours — the offender keeps his regular job and lives at home. He is not allowed to take a holiday in which to work off his "social service" term.

"One finds himself under close supervision for a year or two, and he knows that if he steps out of line he will automatically land in jail. For those who have never worked this is an excellent chance to learn a trade. For those who have no friends, this is a chance to meet good people," explains Dagmar Rasmussen, a reformatory social service worker.

The method, used since 1982, produces excellent results: 80 percent of those sentenced to a term of "social service" see it through, and 75 percent never go back to crime.

A boy of 20 or so works in the garden of a Copenhagen church. He looks like a typical gardener, with his jeans soiled and a rake in his hands.

"I dropped out after eight years in school, did odd jobs for a living, and was unemployed for three years at a stretch," Johnny said. "Just loafed about. In the end, police caught me trying to sell a kilo of hashish. In court, I asked to be sen-

tenced to 'social service,' I didn't feel like going to jail. I have a bride, a baby is coming in a couple of months, I want to live a normal life."

It is true that the "receiving side," the employers, are not always enthusiastic about such cooperation with the state. Skipper Morgens Frohn-Nielsen of the Fulton training ship thinks he shouldn't have accepted young offenders for a course of reforming subsidized by the Social Board. Previously, reforming was subsidized at the expense of charity foundations only (even the royalty contributed to it) at the cost of 4,000 kroner a month per person as against 62,000 today! Besides, there are now fewer vacancies for other boys to work on board the ship..

A car thief works for his victim

In Norway, once known for its puritanism and deep-seated traditions, the transition to a modern way of life started later than in Sweden and Denmark. It was only after rich oil deposits had been discovered in the country that "the new" and "the old" clashed head on. Unfortunately, modernization had a negative effect on youth. Contempt for the law, previously an exception, has become common among youngsters.

"We are trying to fight the phenomenon with a concerted effort," says Aulend Ragnar, chief of the Police Department



... and harsh

under the Ministry of Justice. "Police stations employ juvenile delinquency experts, there is a teacher specializing in 'problem kids' in every school, and social institutions have inspectors in charge of junior offenders. Cooperation is not without its problems: at times, youngsters take teachers and social workers for police agents. Nevertheless, we do get results," the policeman said modestly.

Offenders under the age of 15 are not sent to jail in Norway at all. Older ones may be sentenced only to "leisure time deprivation," for instance, which consists in spend-

ing an evening and a night in prison. Sometimes another method is used: an offender and his victim are brought face to face (unless the offender is a robber and the victim — an old woman he has beaten up for some small change in her purse).

Ivar, 16, stole a car but got stuck in a roadside ditch and the police got him. An inspector phoned Ivar's parents and the owner of the dented car, a shop-keeper, and asked them over to the police station. Having brought all those concerned together in his office, the inspector suggested that the boy should work off the repair cost (i.e., the proportion of it not covered by insurance) and the shop-keeper accepted the arrangement. As time passes, the criminal and his victim make friends, the shop-keeper gets himself a reliable assistant, and it will hardly ever occur to the boy to steal a car again.

Happy ends are not infrequent. Instead of punishing young offenders, police inspectors often have them work off the damage they have done. A bunch of kids who have smashed a public telephone booth are told to deliver telephone directories to all the apartments in the neighbourhood. If youngsters are caught drawing on a school wall, they are told to wipe the wall clean. In every situation, young offenders — who are not hardened criminals, after all — are put face to face with their victims; few youngsters can go through the ordeal without squirming with shame.

Shame makes the offenders sorry for

what they have done, and all they can offer by way of compensation, however inadequate, is work, Norwegians told me.

Shortly after I left Oslo, word came that its municipal authorities had organized joint street patrolling by policemen and parent committees' activists, the idea being that the very presence of adults in places favoured by youngsters will deter the latter from wrong-doing.

There were thieves in Beria's times, too

But let me go back to the Swedish National Council for Crime Prevention.

"I am no judge of the Russian government's actions," Jerzy Sarnecki said, "but its promise to cope with rampant crime by police action alone sounds hollow. There were bandits even in Stalin's totalitarian state, and in a democratic society it is difficult to enforce law and order by draconian measures.

"It is on record," Sarnecki went on, "that a 100-percent increase in the number of jail sentences reduces the incidence of crime by a mere 12-15 percent. The rise in crime in Russia and other CIS member states is caused by economic and social factors. You have to put an emphasis on social support for the vulnerable groups, on the revival of moral principles and spirituality. The family and neighbours can prevent youngsters from becoming criminals, the police can only land them in the slammer."

Alexander Polyukhov,
New Times correspondent

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AVIS

Introduced by
New Times analyst
Rostislav Zolotaryov

Otto Bauer, one of the leading theoreticians of Austrian Social Democracy of the Second International, was born in Vienna and educated at the Faculty of Law at Vienna University. Together with Friedrich Adler he founded a Social Democratic magazine, called *Kampf*, and contributed to Karl Kautsky's magazine *Neue Zeit*.

During the WWI, he was taken prisoner at the Russian front and stayed in this country from 1915 till 1917. He was an eyewitness to the realities of the second, after the Austria-Hungary, multinational giant on the European territory — the

Romanov empire. He was set free by the Provisional Government after the February Revolution. Having returned home, Otto Bauer resumed active political life. He became Foreign Minister of independent Austria. Together with Friedrich Adler, he took part in creating the so-called second-and-a-half International. As the leader of the left-wing Social Democracy, Otto Bauer upheld the republican ideal and the right of nations to self-determination. He was critical of Bolshevism and Soviet Russia's experience.

Otto Bauer's opus magnum, *The Nationalities Question and Social Democracy*, was the second monograph published in the series *Die Marxistische Studien*. Its publishers' purport was to throw light on social problems from

the viewpoint of the materialist conception of history, because precisely the national issue was in the centre of Austro-Hungarian political life. The book was published in Russian in 1909.

The concept of nationalities policy expounded by the so-called "Austro-Marxists," especially by Karl Renner and Otto Bauer, caused intense polemics among Socialists. Karl Kautsky and Vladimir Lenin were among Otto Bauer's opponents. Austrian Social Democrats deemed it possible and even necessary to, preserve multinational states, having in mind primarily a transformed Austria-Hungary. Otto Bauer's concept resembled, to some extent, the contemporary "Belgian model" of federalism, i.e., division of society into two autonomous

spaces — socio-economic (or political and geographic) and ethno-cultural (or ethno-linguistic).

This time we offer for readers' attention excerpts from Otto Bauer's fundamental and voluminous monograph based on extensive historical material — and oversaturated with socialist phraseology.



The people and their destiny

Otto Bauer (1882–1938)

So far science has almost utterly neglected the national issue, leaving it almost exclusively for lyric poets and pamphleteers, speakers at public rallies and parliamentarians to deal with. Only first attempts have begun to work out a satisfactory theory of the essence of nation in the epoch of the great struggle for national rights...

We will tentatively define national character as a totality of features differentiating people of one national group from those of another, a complex set of physical and spiritual qualities differentiating one nation from another. Apart from these qualities, peoples possess other features, for instance, universal human ones; there are also separate classes and professions within every nation. These are characterized by special group qualities differentiating every one of these groups, as such...

National character is unstable. The common character unites members of one nation only during a certain period, but does not unite, at all, a contemporary nation with its forefathers of two or three thousand years ago. It has been erroneous to disregard, along with the common national character, a whole number of other common features, among which the most important are the common class appetite and the common profession... It would be futile to make a research into which feature is more important, more imperative — that of class identity or of national character. There is no objective scale to measure the degree of intensity of such identities. The concept of national character was most damaged when it was used to explain a nation's behaviour: for instance, the quick change of constitu-

tions in France was explained by the desire of the French, as Julius Caesar had written about their Gallic forefathers, "to always introduce novelties."

When we describe a national character, we do not thus explain the reasons for certain actions at all, we only describe what is revealed in the totality of a particular nation's activities. It is not a matter of explaining the causal interdependence of certain phenomena, but only of stating, one more time, that a certain distinctive feature previously observed is manifested in a number of actions. Attempts to explain a certain action by national character are based on a logic error: a certain distinctive feature and the concrete diverse phenomena in which it manifests itself are connected by a relation of cause and effect.

A nation is a relative community of character, because members of one nation are characterized by certain common distinctive features during a certain period of time, and equally because inherent to every nation are certain traits of national character differentiating it from other nations. However, members of all nations possess at the same time such common features which characterize them as people at large. Nation is thus not absolute but only a relative community of character, because its individual members, for all their likeness to each other, possess also individual peculiarities already mentioned above (of local, class and professional character). National character means only a relative community of distinctive features observed in the modus operandi of individual members of a nation and it does not at all limit the character of modus operandi of each of them...

There have been attempts to explain actions of a certain nation and its members by a certain national spirit, a "national soul." However, this in no way solves the problem; it is a way to avoid its solving. National spirit is the old love of romanticists. It was introduced into science by the historical school of law. According to this school, national spirit creates in individuals common legal convictions which are either a law per se or possess a law-giving force. Later, not only law, but all actions, all destinies of a nation came to be explained as an embodiment of national spirit. It was believed that the substratum or the substance underlying a nation was a special national spirit, a national soul. In other words, it is the invariable value which persists in spite of all changes, or a unity existing despite all individual differences. And individuals are only modi or forms of manifestation of this spiritual substance.

Rationalist psychology considered these psychic manifestations of individuals a product of some special object just like it considered one's own psychic manifestations a result of activities of the same object. Hence the problem of relation between the psychic substance of one with that of the other. This problem was solved either in an individualist manner (i.e., the empirically given relations between people were understood as communication between their psychic substances) or in a universalist way (i.e., one common soul was constructed — a spiritual universum which was simply reflected in an individual soul). The descendant of this universal spirit was believed to be the national spirit in question — a national soul of popular spiritualism... However, after Kant's criticism, the notion of soul, "national spirit" seems to us nothing more than a romantic phantom...

What can we derive from the doctrine of heredity in order to determine the essence of a nation? Let us consider the simplest case, for instance, a folk legend about the origin of a people from a single human couple or at least from one tribe. Here the common character is derived from the similarity of children to their parents. Such is the position of some materialists as well. Thus a nation contains its material substratum: its biological protoplasm is prescribed by its bearer. While national spiritualism regards history as none other than a manifestation of national spirit, evolving incessantly in accordance with its own laws, national materialism views history as a manifestation of changes the biological material undergoes. Then, the entire world history should reflect the destinies of this protoplasm.

National materialism is based on the concept of matter being obligatory for contemporary natural sciences as well, whereas national spiritualism proceeds from the notion of psychic substance which psychology has already rejected. Nevertheless, national materialism does not give us a guidance either, because it rests on an understanding of causality which has long since been rejected by science.

The replacement of the substantialist understanding of causality with the actualist one returns our problem to its proper plane. We will not reduce the matter to regarding the "national protoplasm" as a material bearer of national identity, to seeing in its mysterious force the ability to determine the character of the individuals and of the nation created from it. We will include this substance in the system of all that takes place; in this

system everything which is cause must, in its turn, be interpreted as effect.

The inherited qualities of a nation are nothing else than the sediment of its past, its solidified history. Nation is not only a natural community, it is also always a cultural community.

However, when we consider nation as a natural community on the one hand, and a cultural community on the other, we do not mean to say that national character is determined by different causes. On the contrary, people's character is determined only by their destiny, because national character is nothing else than the sediment of a nation's history. Nation is nothing else than a common destiny. However, this common destiny operates in two directions — on the one hand, qualities acquired by a nation as a result of a common destiny are transmitted by means of natural heredity, on the other, cultural values created by a nation on the same basis are transmitted. The hereditary transmission of certain properties, on the one hand, and the transmission of certain cultural values on the other, are the two ways by means of which the destinies of the ancestors mould the character of posterity...

When we consider a nation in the sense of its common culture, i.e., investigate into the way its national character is determined by cultural values inherited from previous generations, we find ourselves on a much more solid ground than when we attempt to explain the origin of a common national character by physical qualities transmitted by way of natural heredity...

Democracy presupposes an all-embracing education, because it invites everyone to common participation in the solution of social problems. Just like an individual does not mechanically assimilate some novelty, but makes it part of his or her spiritual existence, of his or her personality, a nation does not accept anything mechanically: it will adapt it to its existence, transform it in the process of assimilation by millions of minds. Thanks to national self-awareness, no idea borrowed by one nation from another will be assimilated without being transformed and adapted to its national existence... And the adaptation of an idea to a nation's current spiritual culture means that it participates in this process with all its past, all its history...

Whereas a nation basing itself on a common origin has in itself the germs of its disintegration, a nation based on common education is distinguished for its tendency towards unity — it equally educates all its children, all its members work together, jointly working out the national will and jointly imbuing itself with the nation's cultural values...

A community of origin is a matter of coincidence, while the community of education and labour provides a solid guarantee for national unity. A nation must become a labour community before it can become a completely self-determining cultural community...

We have thus approached a more precise definition of national character. By this we understand primarily not a totality of all physical and spiritual qualities inherent in a nation, but only the peculiarities of direction of will; we mean the fact that different nations react differently to the same situations. We have thus arrived at the definition of nation as a community of destiny.

Now we must specify the notion of community of destiny

National character is none other than the sediment of a nation's history

with greater precision. The matter is that common destiny implies not only the homogeneity of the masses... It means jointly living through the common destiny in close and incessant interaction and cooperation. That a nation is the product not of homogeneity but of community of destiny and that it is engendered and exists thanks to the permanent interaction between those sharing a common destiny, is what makes it different from all other nations...

... It is impossible to imagine a nation persisting as a cultural community without a common language. However, the latter does not as such guarantee the national unity: the Danes and the Norwegians, the Roman Catholic Croats and the Orthodox Serbs, despite common languages, are subject to different cultural influences...

A mass assimilation of alien cultural elements never brings about the levelling of national characters, it can only diminish slightly the differences between them... Elements of an alien culture are assimilated only after being transformed and undergoing adaptation to the already existent national culture which perceives them. We know it as a phenomenon connected with national self-awareness...

The difference between national characters is an empirical fact. This difference is constantly denied, and it is affirmed instead that nations differ only in language. This opinion is expressed by many theoreticians of Roman Catholic background. It was borrowed from humanitarian philosophy of the epoch of bourgeois enlightenment and subsequently taken over by some Socialists who would like to substantiate the positions of proletarian cosmopolitanism by means of this opinion... The idea that differences between nations are none other than those between languages rests on the atomistically individualist understanding of society, according to which society is a sum total of externally connected individuals. Those who share this opinion repeat the mistake made by Rudolf Stammler who sees the determining factor of social phenomena in external regulations, conventions and legal institutions. However, we regard society as something more than a sum total of individuals — we consider every individual as the product of society. Consequently, in our opinion, nation is not a sum of items linked by a common language, but, on the contrary, every individual is a product of his or her nation. A nation is manifested in every member's ethnicity, which means that the character of each member of a nation is determined by all his compatriots' destiny lived through, by them jointly, in the process of permanent interaction. As for language, it has always been no more than an absolutely indispensable instrument of this process. A common territory is a prerequisite for a nation's existence only inasmuch as it is necessary for the common culture.

Now we have obtained the exhaustive definition of nation. Nation is the totality of people connected into the community of character on the basis of common destiny. This feature based on common destiny differentiates national cultural community from international communities within the lines of profession, class or people making up the state — in a word, from all such communities which are based on homogeneity and not on the common destiny. The national understanding of history, i.e., a

theory of history which regards the struggle of nations as the motivating force of all that takes place, tends to form the mechanics of national life. According to this theory, nations are irresolvable elements, solids colliding in space and mechanically influencing one another by means of pressure and impact. But we understand nation as a process. We do not understand history as a reflection of struggle between nations, because nation itself is a reflection of historical struggle. A nation is manifested not otherwise than in its national character, in an individual's national identity; the latter being none other than part of the individual's "ego" determined by the history of society...

Familiarity with national history evokes a lively national feeling primarily in the intelligentsia. However, the more historical information is inculcated in the masses through the popular press, school and literature, the stronger and more intense becomes the national feeling in the masses.

Any national protective policy is conservative and not infrequently is harmful to all nations, because the ruling cliques adjust it to satisfy their own interests

The national protective policy is conservative, because it is aimed at preserving national peculiarity regardless of its essence. Yet it is also conservative in the sense that it is almost invariably advocated by the ruling and propertied classes and all those who are interested in preservation of the existent social

order, i.e., conservative classes. A certain constitution of national character determines the existence of a certain social order: thus, a certain spiritual constitution is a prerequisite for absolutism which can no longer exist when this psychic constitution of the nation is changed. The levelling of the material content of various national cultures does not at all do away with national identity.

Our task is not to ensure that future generations will be similar to the present ones, but guarantee that our posterity linked by a common character could make up a nation at all... We can define as national also such policy which sees its task as involving the entire people into the cultural community by means of systematic cooperation, in order to make the entire people a community of a national character. I call this policy evolutionary-national policy, as distinct from that of the conservative-national type. We can call it evolutionary because it rejects the opinion that we must preserve the nation such as it has been created by history. It counters this erroneous idea by suggesting something else — evolution of national character. However, it may be termed "evolutionary" in a deeper sense too, because it sets itself the task of not only the further advancement of national character *per se*, but also of the conversion of an entire people into a nation...

A constitution which grants every nation the opportunity to develop its culture; a constitution which does not force nations to take power by force and to constantly support it in the struggle for the influence on the state; a constitution under which national power does not rest on a minority's domination over the majority — such are the national and political demands put forward by democratic socialism. Every nation must be free and self-sufficient and rule itself independently; the state must confine itself to the protection of those interests which are common to all nations and nationally indifferent...

*Prepared for publication by Sergei Romanenko,
Cand.Sc. (History)*



Latvia's foreign minister **Janis Jurkans**, 45, has always believed that his republic will gain independence. His political forecasts are usually taken seriously. The last of them says: "I foresee Latvia's prosperity by the end of the century. Only then we shall be able to attain the European standards." But if undemocratic laws are adopted and society is divided the Latvians can ruin their future, Jurkans warns.

Jurkans received higher education in the arts. He mastered English and wrote a thesis devoted to the creative work of James Joyce. After that he worked for seven years as a house-painter and a lifeguard on the sea coast. Janis did not waste time in vain. He listened to the BBC and studied literature on diplomacy and history. The literature was mainly in English. Thanks to it he learned "the Western style and perception of life."

Two years of work in the Popular Front of Latvia became for Jurkans a good school of communication with journalists and diplomats. Nevertheless, he did not elbow his way to the post of minister. He was simply offered it.

As Latvia's foreign minister Jurkans has already met with many prominent politicians —

George Bush, John Major, Douglas Hurd, François Mitterrand and Margaret Thatcher. "A real lady, Thatcher has a great art of arousing in another man the feeling of being free," Jurkans recalls.

In his opinion, diplomatic work is not easier than fighting on the barricade. Janis has a modest wish. He does not want to be ashamed of his successor.

A. Pyasetskaya

The military transport plane AN-124, with a carrying capacity of up to 150 tons and known to the world as Ruslan, was used in the past for the transfer

of tanks, missiles and other formidable weapons. Today it is used for the transfer of tractors, excavators and machine tools. This service is provided by the commercial transport air company Volga-Dnieper.

For several years Russia built a huge air complex for the assembly of the superplane AN-124. When work was almost completed, demand for the transportation of weapons dropped sharply. "The prospect of a hasty conversion without preparation did not suit us, and we decided to use Russia's wide experience of forming joint-stock companies," says **Alexei**



Isaikin, 39, chairman of the joint-stock company Volga-Dnieper. "We sell what we manufacture, for the main stockholders of the Volga-Dnieper are aircraft factories."

The company accepts orders from any country

and makes flights to any part of the world. Ruslan has transported French space satellites and equipment for extinguishing oil "torches" in Kuwait.

Many Western companies are now engaged in construction in the territory of the former Union. Most of them know about the bad state of Russian roads. There are no obstacles for Ruslan. It can fly in any direction and cross any frontier.

Carlo Benedetti

More about human rights

"We people, not Communists or democrats, are to blame first of all for the failure to integrate into world civilization," says **Robert Yengibarian**, 50, the chief editor of *Ya i Mir* (I and the World), a monthly magazine of political and legal affairs. The new magazine, he stresses, is intended for a narrow circle of readers, a sort of intellectual elite. However, the 10,000 copies of the first issue were sold out in one day.

"It turned out that in a country with such rich 'experience' in the defence of human rights there is not a single periodical on this subject," Yengibarian says. "We have decided to fill in the 'vacuum.' According to the custom, we began with the ABC's. In the first issue we published the Universal Declaration of Human Rights. In the future, we plan to acquaint our readers with the Constitution of the USA, the Bill of Rights, and other important documents of this kind."

Ya i Mir devotes much attention to politics and economics. Among the contributors of the first issue are Alexander Tsipko, a political scientist, and Yegor Gaidar, an economist. The magazine also deals with national problems and gives practical advice. For instance, you want to find work in Argentina or Australia or enter a postgraduate course in the United States. The magazine will advise you what should be done for this purpose, how to fill in papers and appraise your chances.

The editorial board of the magazine includes authoritative political scientists, lawyers and philosophers. Yengibarian himself is a leading specialist in human rights. After he graduated from Yerevan University and defended two theses in Moscow, Robert worked for a long time as a lecturer in Belgrade University. When a department on human rights was opened in the party's central committee office, Yengibarian was invited to it as a scientific consultant. Alexander Yakovlev and Eduard Shevardnadze paid heed to his recommendations.

Robert remained a member of the Communist Party till the last day. However, he thinks that his political views are "close to social democracy." He does not want to take part in the activity of emerging Communist parties, because, he says, in their structures there is none of those who formed "the intellectual nucleus of the Communist Party of the Soviet Union."



Though the trial of **William Smith** was televised for the whole of America, the viewers never saw the face of his "victim" because it was obscured by a blue blot. William Smith, a medical student at Georgetown University and a nephew of noted Democrat Senator Edward Kennedy, was accused of raping a woman. By the time of the trial the name and life history of a 30-year-old single mother were known to the public thanks to the gutter press. However, the respectable press, honouring the moral code, continued to defend her anonymity.

William Smith met the woman at the Palm Beach resort, where he and his uncle came to amuse themselves. In one of the

nbars they got acquainted with two women who, after a small drink, agreed to go to the family estate, of the Kennedy family, not far from Palm Beach. The next morning one of the two women applied to the police.

The court was in session for ten days. All witnesses were questioned and material evidence — the panty hose that the alleged victim wore on the night she says Smith attacked her —

were examined. Even a cross-examination was held. It took the jury more than an hour to find William Smith not guilty of raping the woman.

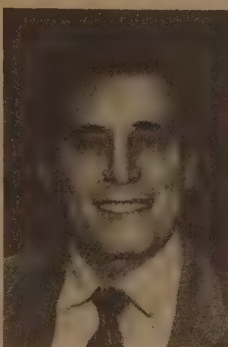
William will soon continue his studies at Georgetown University. As for the "victim," she suddenly appeared in the ABC's popular programme "Prime-Time Live" without a blue blot on her face. "What was the point of all that self-censoring?" many newspapers ask, because the unexpected action of the woman surprised them.

In a recent issue *Time* carried the photograph of the woman and revealed her name. After such a measure by the respectable magazine, *New Times* considers it can do the same. The name of the "victim" is **Patricia Bowman**, and below is her picture.



During his last visit to Moscow the Italian artist **Corrado Caselute** brought an unusual gift which surprised many people. It was a portrait of Mikhail Gorbachev in gold and in a sumptuous frame. Strictly speaking, Caselute brought three portraits. One is intended for the former Soviet President. It is not yet clear, however, what to do with the other two. In his three engravings the artist showed Gorbachev as a wise, quiet and sad man. Caselute is sure that the last President of the USSR should remain such in the memory of grateful descendants.

Corrado Caselute lives in the ancient town of Perugia which is rich in historical monuments. He indulges in architecture, painting and ceramics. But his engravings in gold and



silver are more known to the public. In the opinion of Corrado, his works are a message to the coming generations. That is why, like the ancient craftsmen of the Etruscans, Greeks, Chaldeans and Arabs, he uses durable materials.

A romantic, idealist and devout Christian, Caselute has visited our country several times in the past few years. Together with church organizations, he decided to carry out resto-

ration work in several Orthodox churches. Corrado does not speak Russian and has many problems in communication. However, he feels very optimistic.

L. Goldin

The Spanish popular game — the throwing of dwarfs — can be banned. In the opinion of authorities, being an amusement for some people, it "humiliates the human dignity" of others, for small people, much below the usual size, are used for throwing like "shells."

The rules of the game, so unusual for us, are very simple. The aim is to throw a dwarf as far as possible. The winner gets money prize. The dwarf also receives his share, and **Serafin Benito Alonso**, 35, likes this oc-



cupation. He does not understand why the authorities forbade the game at a fashionable discotheque in Santander. Those who visited it used him as a "shell" for throwing. "The authorities probably think that I am tossed at the wall or on the naked floor, but that is not so," says Serafin, who after each throw, lands on a mattress, though not very soft. He gets bruises and bumps. However, he is well paid.

Since childhood Serafin earned money by exploiting his small height (120 cm). He acted as a referee in women's show boxing, danced and played the trumpet in the streets, and raced with calves to amuse the public. "One of them tore my shirt and trousers," Serafin recalls with horror. "It's better when you are tossed on the ground."

It seems, nevertheless, that Serafin will have to look for a new job. The throwing of dwarfs has already been banned in France and the United States, and will soon be forbidden in Spain.

Serafin dreams of marrying "a beautiful and nice girl." "I wish she would be of the same height as I, or perhaps taller than I," he notes with a sigh.

India's best manager

"A cosmopolitical oasis in the wilderness of squalor." This is how **Rustomji Hormusji Mody**, 74, calls the city of Jamshedpur in the Indian state of Bihar. Mody is president and director-general of the country's largest privately-owned Tata Iron and Steel Co. Bihar is called a paradoxical state. It has rich natural resources and heavy industry large works. At the same time its population is extremely poor, even by Indian standards. Mody himself is a man of paradoxes.

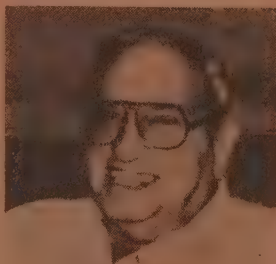
A graduate of the history faculty of Oxford University, he did not work in this field for a single day. His career began at the company which he now heads. Mody is considered the best manager in India. However, he does not believe much in the science of management as such. "An ounce of practice is better than a ton of theorizing," he says.

He admits that he owes 80 percent of his success to Miss Luck and 20 percent to his own efforts. "Don't forget, however," he adds with a smile, "that precisely luck has compelled me to exert the maximum effort."

Mody enjoys his life, playing golf or bridge or the piano in his leisure time. It is said that in his student years he successfully accompanied for Albert Einstein. Mody also likes to cook. In the morning he daily makes an omelette of ten eggs.

Sergei Irodov, our own correspondent

DELHI



Market will teach

Both socialism and capitalism are imperfect, but it's much nicer to suffer with a full belly

Valentin Petrushin

What is that Soviet man? Yes, that self-same "new man" who emerged as a result of the gains of the October Revolution. The man, lauded in hundreds of books, monographs and dissertations about the Soviet way of life.

"His salient features," says Academician Georgy Smirnov, an authority on communist ideology, "are: 1) acknowledgement of the aims and principles of the communist ideology and the priority of social interests, 2) an awareness of work for the common weal as the supreme meaning in life and the means of asserting one's dignity and developing one's abilities, and 3) acceptance of brotherhood, the collective team spirit and internationalism as the basic forms of human concourse."

Whence then, so much embezzlement, theft, crime, and ethnic strife, so much hate and ill-will today? And generally, did that new man ever exist? ♦

The beginnings of our communist march in the 1930s are described by Alexander Solzhenitsyn in his *The Gulag Archipelago* and its end in the 1980s by Valentin Rasputin in his *Fire*. Thus watching onlookers taking advantage of the general muddle, that fire evokes, and pocketing everything they can lay their hands on, the central character, Ivan Petrovich, notes that "the people around him in the township have lost their erstwhile unity, the previously unquestioned moral principles, that lay at root of existence... What was not permissible and not accepted was now permissible and accepted. What couldn't be

done could now be done. What was seen as shame and sin before was now esteemed as astuteness and valour."

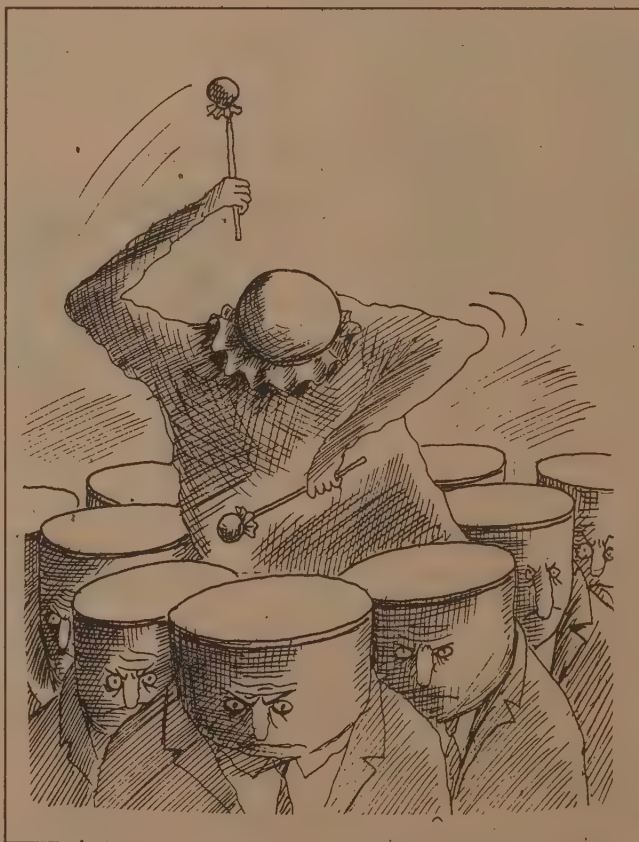
According to the statistics for 1913, Russia held 5th to 13th place in the world as concerned different aspects of living standards. In 1985, the USSR came 68th in the domestic gross output per capita and 77th in personal consumption levels. Today we lag behind the prosperous countries in longevity, but outpace them in infantile mortality, abortion, divorce, and the consumption of tobacco and alcohol.

The spectre of communism that brooded over Europe at the close of the past century harboured in Russia. Collectivization and the abolition of the peasantry took toll of 20

million lives, plus another 15 million in Stalin concentration camps and internal exile between 1937 and 1950 and 40 million more during the war. As a rule the finest, the talented, the industrious, and conscientious perished. Which could not but affect the nation's genetic stock. Coupled with the rout of the Church, the harassment of the religious and the exiling of numerous scholars, philosophers and writers, the intellectual levels and moral standards fell. We are now more stupid and ethically worse. In this country, according to Yury Burtin, there came into being "a society wherein the indifferent person is the prevalent psychological type."

By the 1980s the totalitarian model of society, which arose after the end of the New Economic Policy, had degenerated into a corrupt party bureaucratic *nomenklatura*, whose personal and group interests came before social interests. However, the system would have not held on for long had it not fostered people meeting its definite parameters. So what is the salient feature of the Soviet man whose criminal inclination is near critical in virtually every domain of social life?

Analyzing the problems associated with man's integration into society, the American humanitarian psychologist, Carl Rogers, indicated such factors as the family atmosphere, conditions at school, heredity, and physical development. However, it transpires that the degree of a person's self-awareness is basic in shaping moral behaviour. A high standard of self-awareness is always linked to **self-cognition** when the human being knows how to treat other people and what he does professionally, how to treat the collective, the family, and society as a whole. Present psychology quite explicitly asserts that the person's behaviour, as a rule, is more strongly influenced by his inner world, than by environmental incentives, and that this relationship is the more pronounced, the higher the standard of self-awareness. Lawyers and criminologists have noted that every criminal from a small-time thief to a large embezzler and murderer shares one common vice, a low self-



Drawing by Victor Bogorad

awareness that lies below normal human morality.

A totalitarian system pragmatically finds such types more to its advantage as shallow people are easy to manipulate by means of sundry instructions and orders. Thus, in his novel *The Day Lasts More Than a Hundred Years*, Chinghiz Aitmatov noted that the zombie, who lacks understanding of self, is economically more profitable as he is only a mute, absolutely submissive and safe creature.

Despite all the official propaganda machine's claims that communist education sought to develop the individual in every way, the social system really created a type that stood at the other end of the pole to what was so pompously announced. The population was systematically brainwashed wholesale.

Each person is to some certain extent the product of the society of which he is member. What kind of society did the 1917 take-over bring about in Russia? Today it is known by very many different names, such as "state socialism," "state capitalism," "industrial feudalism," "army-barracks communism," and "equalizing socialism." Though all these definitions are true to some extent they do not, I think, encompass the entire substance of the social system.

One conclusion the currently intensively developing discipline of revolutionology draws is that after a violent revolution society, as a rule, is thrown far back and is compelled to repeat previous phases of development. Thus, a human being afflicted by some grave malady must relearn how to walk, write, and eat. Russia, in the upshot of the 1917 coup, attained neither "industrial feudalism," nor "army-barracks communism" but an antiquated **matriarchate**, based on the principle of an equalizing fairness. This system has no private ownership, and the mother treats all her children with identical affection, providing them with roof, clothing and food. A mother loves her children because they are her children not because they are good, obedient or comply with her wishes and commands. This, the American psychiatrist Erich Fromm notes, is maternal love based on equality.

The specific feature of the Soviet matriarchate was that within it the coerced levelling was sustained not by female tenderness, but by the jackboot. The *pro forma* laws and codes were subordinated to a system of informal relationships, often known as the "telephone law." Democratic society emerged from within the patriarchal society that took over from the matriarchate and whose development was attended by the promotion of private ownership. In patriarchal societies the father loves his more capable son best able to continue the business. The equality of siblings in the matriarchate is replaced by competition and rivalry in patriarchate.

Present Western societies evolved from a mother-centred structure to a father-centred one. We believe the entire fervour of *perestroika* is precisely of the transition from a matriarchate to a patriarchate, with firmly-entrenched laws and respect for the rights of the individual.

This appears uncommon, as entrenched in the common awareness is the concept that the seventy years of Soviet power reproduced patriarchal relationships. Actually relationships which excluded private ownership and proclaimed equalizing fairness were matriarchal. Operating in patriarchal societies is the principle of fair reward, with the more capable and more industrious accordingly getting more. Which is conceivable only if the right of the human being to private ownership and the fruits of his labour are recognized.

One more major factor is involved in the current transition. The coercive and administrative work incentives of matriarchal socialism, which are external and alien as regards individual (hence the idea of labour armies and labour concentration camps), are being ousted by internal incentives ensuring the rapid growth of labour productivity as the outcome of which all of society generally, let alone the individual, eventually flourishes. Incidentally, this shift is to be observed in the basic principles of the Old and the New Testaments. The Ten Commandments, given by God to Moses on two stone tablets, ban certain activities and invoke divine punishment, which is externalized when these bans are violated. On the other hand, the Com-

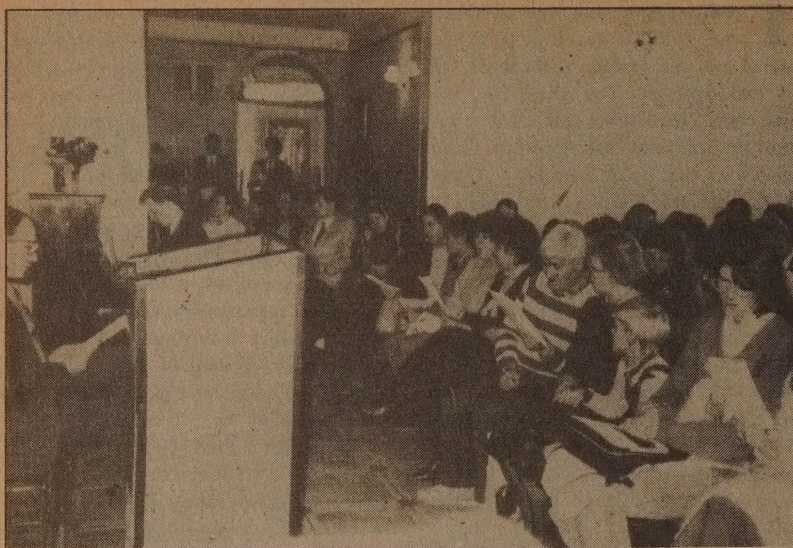
mandments that Jesus Christ set out in his Sermon on the Mount are addressed to the human being's **inner** world, to his soul, and transgression provokes that feeling of guilt which is expressed in pangs of conscience, in remorse.

However thunderous the anathematizing of that thrice-ac-cursed private ownership by the communist ideologues was, its absence in the basic principles of socialist construction resulted in social vices and ulcers, far more repulsive than those that our journalists were so fond of luridly painting during the stagnation period when describing life in the "decaying" West.

My musician friends adore the following anecdote related to the eminent Hungarian composer-pianist Franz Liszt who was second to none when it came to improvising on sundry themes however absurd. One day he was asked at a concert to improvise on the theme, as to what could be better — marriage or bachelor dom? "For the first time in my life," he wrote in a letter to a friend, "I declined, and quoted what one sage had said: whatever option you choose, you will nevertheless repent it." Still, people marry.

For the Soviet man private ownership may be a bad thing as he has never had the chance of really finding what it actually implies. Yet, millions throughout the world prefer to live in a system of private ownership. Our Renaissance, our movement from the Homo Sovieticus to the Homo Moralis, from the irresponsible man to the man assuming the responsibility for his own life, is associated sooner with the institution of private ownership, with the awakening of the inner regulators of behaviour, a respect for human rights and the equality of all in the eyes of the law.

For yet long to come, lack of proper cultural standards and moral self-awareness will be mainly responsible for impeding all our current social reforms. According to one sociological survey conducted in the USSR in the autumn of 1991, when asked what they would do if faced with unemployment, 35 percent of those interviewed, said they would prefer to subsist on government benefits, while only 6 percent revealed plans to re-train. However, as I see it, the austerities of life under a market economy will soon put paid to such matriarchal notions.



Mormon gatherings wind up with the singing of psalms

Getting married in Salt Lake City

Sir Arthur Conan Doyle too harsh on Mormons

Mormon means the best, members of the Latter-Day Saints Church of Jesus Christ say. This initially American phenomenon has, believe it or not, taken root in Russia with some 200 Muscovites comprising four Mormon parishes.

The layman will most likely associate Mormons with polygamy. After all, Sir Arthur Conan Doyle in his *Study in Scarlet* took a rather gloomy view of Utah Mormons. However today they censure polygamy and excommunicate all "experimenting" along such lines.

Yet there is no smoke without fire, they say and Sir Arthur did not sin that much against the truth. In the last half of the 19th century America's Mormons were harassed by other faiths and as many males perished, one of their prophets had a most timely revelation suggesting each male Mormon marry at least two women in order to "replenish" the community.

In 1892, when this danger was over, a second revelation abolished polygamy and today Mormons advocate the usual sound family unit.

Moscow's Mormon community was registered in the spring of 1991. In a small room in one of the parishes, that is packed with young and old people and respectable couples with babes in arm, a youngish American missionary of about 20 summers preaches in a low voice. As he ends the gathering sets about discussing various subjects, ending the meeting with the singing of psalms to piano accompaniment and a bread-and-water holy communion — insofar as Mormons refrain from wine, tea, and coffee. Now one might think the actual religion not that important, with people simply meeting to be together. Moreover, the very name sounds exotic. True enough, Galina, 54, admits that communion with the Mormons alleviates loneliness and enables her to "forget unpleasant recollections" while Irina and Olga, who are both 20, simply find it fascinating to communicate with American missionaries of the same age, the more so as they wouldn't mind marrying Mormons in Utah.

Yet some made a more deliberate choice. Thus, Elena, 30, embraced the faith after an introduction to American

missionaries, attracted to there by the simplicity and democratic character so much in contrast to the "ostentation of the Russian Orthodox Church."

The history of the Mormon faith was recorded by the ancient prophet Mormon on metal sheets and buried deep. They were deciphered into English years later by Joseph Smith apparently in the spring of 1820. This American boy wanted to find out which of the earth's faiths was that of the true Christ. In his prayers he asked for divine council and was told in a revelation that he had been summoned to restore the true Church of Jesus Christ. The Mormon believes that by diversifying faiths after the Redeemer's death, people strayed from the divine teaching.

Joseph Smith inaugurated his first Mormon parish on April 6, 1830 in Fayette, New York State. Today Mormons are found in a hundred odd countries.

The main temple in Salt Lake City, Utah, is topped by the figure of a trumpet-blowing angel instead of a cross. Only the baptisms and marriages are solemnized here, otherwise service takes place in prayer houses completely devoid of the sumptuousness of the Catholic and Orthodox faiths. Mormon priests, who are unpaid, wear black suits, white shirts and black ties instead of gold-embroidered robes.

The Mormon takes a democratic view of his prayer house, which often serves as a venue for sports competitions. He believes he must always be in tip-top form and indeed, after service, congregationers often play football, volleyball or basketball with the missionaries and priests. They are also encouraged to grow kitchen gardens.

The Mormon contributes a tithe of his income to the Church exchequer, must neither drink nor smoke and must not indulge in sex before marriage.

Igor Makhailusenko, the first Soviet Mormon, is convinced that this faith will take root in Russia as it appeals to the Russian's heart.

Anna Pyasetskaya

Photo by the author

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